

Balance of Payments Developments: Fourth Quarter and Year 1971

Although below their third-quarter peaks, measures of the U.S. balance of payments position showed continuing large deficits in the fourth quarter. Exchange market uncertainties before new fixed exchange rates were established at the December 18 Smithsonian Agreement led to further large accumulations of dollars by foreign official reserve agencies.

Reflecting a combination of longer-run developments, cyclical trends, and expectations of changes in currency values, all balance of payments measures registered record deficits for 1971. The deficit on current account and long-term capital reached \$9.3 billion, the net liquidity deficit totaled \$22 billion and the official reserve transactions deficit was \$29.8 billion. The unusual scope and intensity of the movement out of dollars during 1971 was highlighted by the huge unrecorded outflow through errors and omissions, which totaled \$10.9 billion.

sonian Agreement of the Group of Ten countries, establishing new fixed exchange rates against the dollar for since currencies which had floated most the August 15 suspension of dollar convertibility, lessened exchange market uncertainties during the last 2 weeks of the year, when a moderate payments inflow occurred.

The overall measures of the payments deficit in the fourth quarter, although only about half as big as the records reached in the third, were nonetheless large. The merchandise trade balance—aggravated by dock strikes—worsened by almost \$1 billion to a record deficit of more than \$1.5 billion (seasonally adjusted) but the shift was partly offset by a sharp rise in income on U.S. direct investment abroad, which improved by \$575 million. The balance on goods and services moved adversely by \$570 million to a deficit of \$515 million. With Government grants recording a small increase, the current account balance moved adversely by \$580 million to a deficit of \$1.45 billion. There was a substantial improvement in reported net long-term private capital flows, especially in those associated with direct investment (see Highlights and Perspectives: Corporate Capital) and also in portfolio transactions. This improvement, combined with the flows cited above, resulted in a current account and long-term capital deficit of \$1.5 billion in the fourth quarter, bringing the 1971 deficit to \$9.3 billion.

Nonliquid short-term private capital outflows, while still large, were smaller in the fourth quarter than in the third.

The slowdown was in the rise of bank-reported claims on foreigners. Outflows through unreported transactions (errors and omissions) were \$3 billion below their record third quarter level, but at \$2.3 billion were still large. They totaled a net \$10.9 billion for 1971. The net liquidity deficit, comprising all the above transactions, was \$4.3 billion for the quarter and almost \$22 billion for the year. For both the quarter and the year, more than half of that deficit was accounted for by the errors and omissions outflow.

There was a continued buildup of liquid claims on foreigners in the fourth quarter and a further reduction in liabilities of U.S. banks to their branches, as interest rates in the United States were lower than those prevailing overseas. These flows were smaller than the huge third quarter outflows. Together with all the factors cited above, these flows led to an official reserve transactions deficit of \$6.3 billion in the fourth quarter and a \$29.8 billion deficit for 1971. With the dollar not convertible into official reserve assets, the official deficit was just about entirely settled by an increase in liabilities to foreign official agencies.

The official reserve transactions balance is intended to indicate exchange market pressure on the dollar resulting from international transactions of the United States during a specific reporting period, assuming relatively fixed exchange rates. However, if exchange rates fluctuated freely, with no central bank intervention, all exchange market pressures would be reflected in exchange rate changes. The period between August 15 and December 18 (when relatively fixed rates were reestablished) was characterized by rates which were

NOTE.—Evelyn M. Parrish, R. David Belli, Julius Freidlin, and Max Lechter also made significant contributions.

CAPPING a year during which the cumulative impact of longer term imbalances in our external accounts—and the deterioration in the ratio of U.S. official reserve assets to U.S. liabilities to foreign official agencies—was augmented by unfavorable gaps between business conditions and short-term interest rates in the United States and in other leading countries, balance of payments outflows remained substantial in the fourth quarter. Foreign exchange markets, dominated for much of 1971 by expectations of revaluations of leading currencies and/or dollar devaluation, were subject to similar uncertainties during most of the fourth quarter. The December 18th Smith-

floating but not completely free, for central banks intervened to limit the appreciation of their currencies. (A number of countries also imposed exchange restrictions to discourage inflows of funds.) The official reserve transactions balance during the 4-month period roughly measured the impact of such intervention. Since December 18, the balance has been indicative of central bank support operations within the framework of the widened 2½ percent band on either side of the fixed central exchange rates.

1971 in perspective

An assessment of the balance of payments in 1971, which was marked by intensified outflows in virtually all types of transactions, must take account of

developments over the course of prior years. For one thing, the cumulative effect of years of large payments deficits reached a point where the rise of dollar liabilities to foreigners and the decline in U.S. official reserve assets became incompatible with the existing exchange rate structure and dollar convertibility. For another, ample availability of credit domestically, and lower interest rates in the United States than abroad, led to the second consecutive year of large shifts of Eurodollars from U.S. banks to foreign borrowers. Also, the rebuilding of liquidity positions of U.S. corporations led to a substantial reduction in their long-term foreign borrowing. Another factor is that the longer term structural deterioration in the merchandise trade account (see Highlights and Perspectives: Merchan-

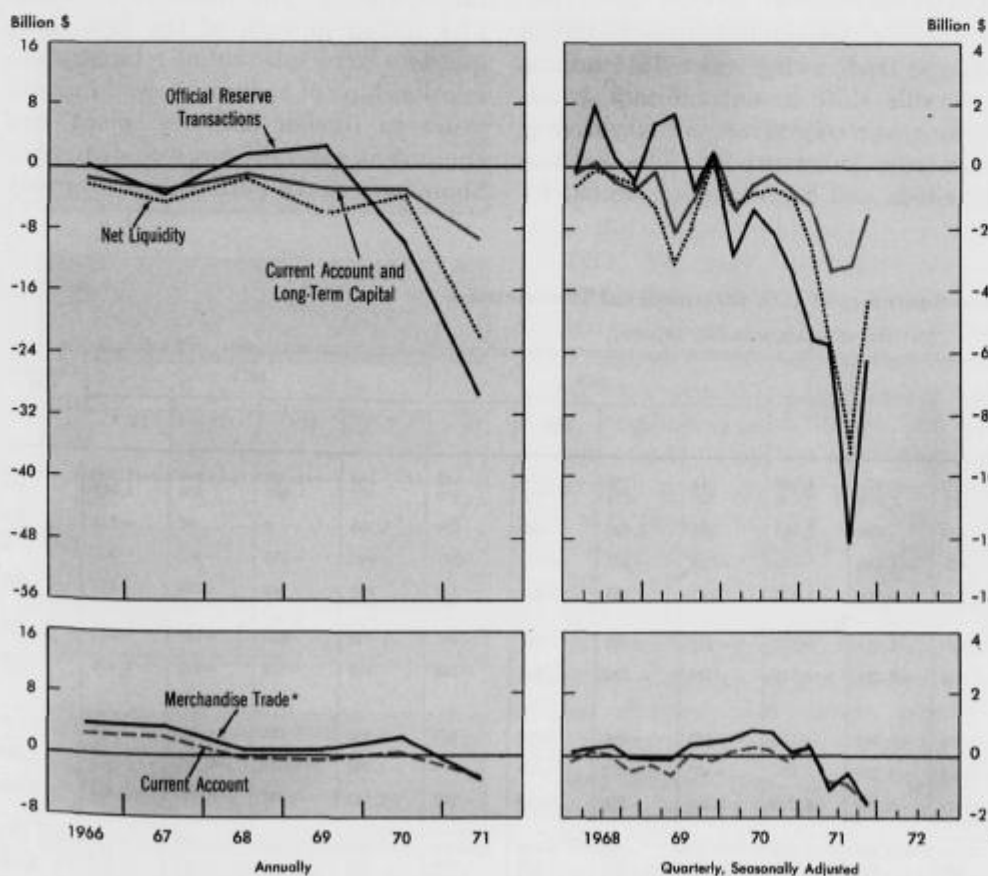
dise Trade), masked by favorable cyclical and other transitory influences in 1970, was accentuated in 1971 by less favorable conditions and by strikes, fears of import restrictions, and anticipations of revaluations of several leading currencies against the dollar. Also there were, in recent years, persistently large capital outflows associated with direct investment abroad, some of which may have been related to the desire to gain and consolidate footholds in foreign markets and some to relative price and cost considerations. Thus, some capital outflows, as well as the deterioration in trade, were attributable to a fundamental worsening of our international competitive position.

Given the policies of some countries to maintain and even increase their trade surpluses, and/or to keep their domestic financial markets tight, an overvaluation of the dollar and undervaluation of the currencies of several leading competitor nations developed.

The conjunction of these medium and longer range trends with the 1971 flows related to more immediate forces contributed to the major 1971 exchange market crises, all involving heavy purchases of foreign currencies and sales of dollars. As a result, the fixed parities for the German mark and Dutch guilder were abandoned in May, and the Swiss franc and Austrian shilling were revalued. In August, U.S. authorities suspended dollar convertibility into gold and other official reserve assets and most leading countries floated their currencies. Finally, in mid-December, the Group of Ten agreed to create a new set of fixed exchange rates against the dollar for most of the Group's currencies, with allowable fluctuations of up to 2½ percent on either side of these new rates. The agreement included a proposed 7.9 percent reduction in the gold content of the dollar and currency revaluations against the dollar by several of our major trading partners, notably 16.9 percent for Japan and 13.6 percent for West Germany, compared with pre-May 1971 parities (chart 15). Canada's dollar continued to float. Cross rates between the dollar and these

CHART 14

Balances on Major U.S. International Transactions



*Excludes exports under military grants and U.S. military agency sales contracts and imports of U.S. military agencies.

currencies are particularly important, as the overall U.S. payments relationships with these areas—and other EEC countries—has been deteriorating sharply (see table 10).

The weighted effect (with weights based on 1971 Census trade data) of the shift from parities as of May 1, 1971, to the new central rates was an appreciation against the dollar of about 7.5 percent for 12 major countries—Canada, Japan, United Kingdom, Belgium, Netherlands, France, Germany, Italy, Denmark, Norway, Sweden, and Switzerland. This calculation includes no change in the exchange rate of the Canadian dollar. Calculated on a basis that includes the change from Canada's May 1970 parity, the weighted effect is an appreciation of about 10.5 percent against the dollar.

Balance of Payments Developments—1971

The extent and composition of the adverse shift in the merchandise trade balance in 1971 emphasized that it represented more than a transitory development (see Highlights and Perspectives: Merchandise Trade, and chart 16). Longer term structural

developments were the underlying force, even though the divergence between business conditions here and abroad, anticipations of exchange rate changes, fears of import restrictions, and actual and threatened strikes certainly were contributing factors. The \$5 billion worsening of the trade balance, from a \$2.1 billion surplus in 1970 to a \$2.9 billion deficit in 1971, was partly offset by a favorable shift in investment income. Income related to U.S. direct investment abroad rose \$1.4 billion to almost \$9.3 billion in 1971. A good part of the increase was associated with the petroleum industry, with some of the improvement probably related to repatriation later in the year, at favorable exchange rates, of dividends and other foreign affiliate local currency earnings. Income payments to foreigners on their investments in the United States declined \$400 million in 1971, as the decline in interest rates here more than offset the rise in foreigners' holdings of U.S. obligations.

Another partial offset to the \$5 billion adverse trade swing was a \$515 million favorable shift in net military transactions, as receipts from military agency sales rose substantially. The balance on goods and services deteriorated by

almost \$2.9 billion, to a surplus of only about \$700 million. Government grants (excluding military) and other unilateral remittances shifted adversely by \$325 million for the year, so that the balance on current account worsened by \$3.2 billion to a deficit of \$2.5 billion in 1971.

Net Government capital outflows were almost \$2.4 billion in 1971, an adverse shift of \$355 million. Net private long-term capital outflows were more than \$4.1 billion, an adverse shift of almost \$2.7 billion, and the balance on current account and long-term capital registered a deficit of \$9.3 billion in 1971. This was a deterioration of \$6.2 billion from 1970.

Private long-term capital

According to data now available, U.S. direct investment abroad totaled more than \$4.5 billion in 1971, marginally above the 1970 total (see Highlights and Perspectives: Corporate Capital). The outflows of about \$1.4 billion in each of the first three quarters were substantially larger than relationships of such outflows in recent years to foreign affiliates' plant and equipment expenditures would suggest. Some part of the outflow was probably

Table A.—Summary of U.S. International Transactions

(Millions of dollars, seasonally adjusted)

Line	Lines in tables 2, 3, and 9 in which transactions are included are indicated in ()	1970	1971 *	Change: 1970-71	1970				1971				Change: 1971 III-IV
					I	II	III	IV	I *	II *	III *	IV *	
1	Merchandise trade balance (2, 16).....	2,110	-2,870	-4,980	513	761	704	142	248	-1,084	-540	-1,235	-986
2	Services, net (3-12, 17-27).....	1,482	3,578	2,096	888	294	261	629	902	1,067	596	1,013	416
3	Balance on goods and services.....	3,592	688	-2,903	601	1,045	965	676	1,150	8	56	-214	-579
4	Remittances, pensions and other transfers (31, 32).....	-1,410	-1,460	-40	-238	-382	-378	-353	-342	-255	-285	-377	8
5	Balance on goods, services, and remittances.....	2,182	-760	-2,942	363	663	586	323	808	-344	-320	-691	-583
6	U.S. Government grants (excluding military) (30).....	-1,739	-2,614	-275	-416	-301	-444	-485	-428	-458	-642	-582	-20
7	Balance on current account.....	444	-3,774	-3,230	326	282	142	-165	380	-882	-871	-1,451	-669
8	U.S. Government capital flows, net, and non-liquid liabilities to other than foreign official reserve agencies (33, 34).....	-2,020	-2,382	-362	-458	-600	-312	-678	-683	-682	-623	-542	-19
9	Long-term private capital flows, net (35-41, 44, 45-50, 53).....	-1,463	-4,138	-2,675	-900	-272	-320	7	-1,009	-1,703	-1,767	472	2,260
10	Balance on current account and long-term capital.....	-3,034	-9,254	-6,220	-1,227	-570	-340	-552	-1,312	-2,287	-2,491	-1,224	1,668
11	Nonliquid short-term private capital flows, net (42, 45, 51).....	-545	-2,320	-1,775	-115	-140	-115	-176	-281	-400	-1,009	-731	277
12	Allocations of EITR (53).....	367	717	-350	217	217	217	216	180	170	179	179	9
13	Errors and omissions, net (54).....	-1,184	-10,578	-9,394	-59	-376	-427	-233	-1,012	-2,318	-5,263	-2,270	3,013
14	Net liquidity balance.....	-3,821	-31,079	-27,258	-1,254	-888	-876	-1,824	-2,525	-5,540	-9,303	-4,345	4,268
15	Liquid private capital flows, net (43, 46, 50).....	-6,000	-7,794	-1,794	-1,018	-638	-1,400	-2,441	-2,025	53	-2,682	-1,948	842
16	Official reserve transactions balance.....	-9,821	-29,767	-19,946	-2,864	-1,404	-2,876	-3,478	-5,550	-6,747	-12,185	-6,285	5,900

* Preliminary. * Revised.

associated with transfers to affiliates for increasing assets or reducing liabilities in currencies expected to appreciate against the dollar. The ample liquidity position of U.S. parent corporations facilitated such transfers. The

reduced volume of direct investment outflows in the fourth quarter probably reflected the fact that planned investments for the year were substantially completed in earlier quarters.

Foreign direct investment in the United States shifted unfavorably by almost \$1.2 billion in 1971, to an outflow of almost \$200 million, the first outflow in 7 years. Substantial transfers of funds—especially to Japan in the third quarter—were effected by trading company branches here to prepay for imports to the United States, in anticipation of dollar devaluation. Signs of a reversal of this pattern were evident near yearend.

Net transactions in foreign stocks and bonds were little changed in 1971 from 1970, but there was a favorable shift of \$570 million from the first half of 1971 to the second. There were net sales of foreign stocks in both the third and fourth quarters and net purchases of foreign bonds shrank in the fourth. For the year as a whole, purchases of Canadian bond issues were essentially unchanged, there was a decline in Latin American flotations here, and a rise in new issues by international agencies and Israel.

Net transactions in U.S. securities were also about unchanged from 1970 to 1971, but here, too, there was a marked shift within the year. Net foreign purchases of U.S. stocks totaled \$760 million in the second half, compared with only \$75 million in the first half. Purchases were largest in the fourth quarter, mostly in December. Relatively good growth prospects for the U.S. economy and a decline in Eurodollar rates probably stimulated buying. New bond issues sold abroad by U.S. corporations shifted favorably by \$315 million in 1971 but this was offset by a decline in net foreign purchases of other U.S. bonds, particularly Government agency issues.

Other transactions in U.S. private long-term claims and liabilities shifted adversely by almost \$1.5 billion in 1971 to an outflow of about \$750 million. About two-thirds of the shift reflected a rise in long-term bank reported outflows, representing a buildup of claims on foreigners.

Short-term nonliquid capital and unrecorded transactions

Outflows of nonliquid short-term private capital totaled more than \$2.5 billion in 1971, an adverse shift of almost \$2 billion. About 70 percent of the outflow occurred in the second half of the year, especially in early August and in December. The action in the fourth quarter to exempt export credits from the Voluntary Foreign Credit Restraint Program was a contributing factor. Most of the year's rise in bank claims was associated with loans not covered by the VFCR Program. Nonliquid bank outflows were probably stimulated not only by exchange market considerations but also by the weakness of domestic demand for bank loans. The buildup of short-term nonliquid claims was widespread geographically but Japan accounted for the largest gains in the second half of the year.

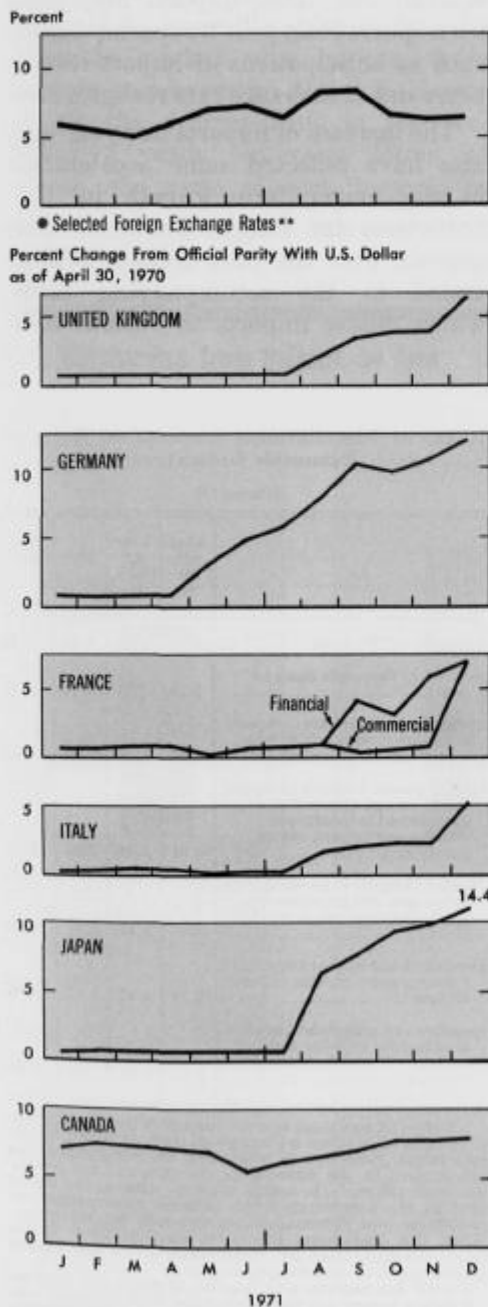
The net volume of outflows through unrecorded transactions was an unprecedented \$10.9 billion in 1971, compared with a rather normal \$1.1 billion in 1970. This huge errors and omissions figure was a reflection of the intensity and scope of the movement out of dollars. Individuals, business firms, and nonbank financial institutions—not covered by the reporting system—participated in commercial, financial, and other transactions, probably with both their own and borrowed dollars, utilizing channels and financial intermediaries also not covered by the reporting system. Leads and lags in payments and receipts for normal transactions were contributing factors. Some of the unrecorded outflow, especially early in the year, was probably associated with the wide interest rate gap between Europe and the United States. Later in the year, a large part of the outflow was probably to Japan. The net liquidity deficit, swelled by these outflows, totaled \$22 billion in 1971, an unfavorable shift of \$18.2 billion.

Short-term liquid capital

Net liquid private capital outflows totaled \$7.8 billion in 1971, a \$1.8 billion deterioration for the year. By far the largest factor in the outflow was the

Eurodollar Rate and Changes in Foreign Exchange Rates

● 90 Day Eurodollar Rate*



*Average of daily figures

**End of month

\$6.7 billion reduction in liquid liabilities to private foreigners, an adverse shift of \$465 million from the already large reduction in 1970. The decline centered on repayments of liabilities of banking institutions here to banking institutions abroad, including liabilities of U.S. banks to their foreign branches and to other foreign banks, and liabilities of U.S. agencies of foreign banks to their head offices abroad. Liquid claims reported by U.S. banks and corporations rose by more than \$1 billion in 1971, a \$1.3 billion adverse shift from 1970. This development was largely associated with the lower rates on dollar loans than on loans in foreign currencies, and to a lesser extent with expectations of devaluation of the dollar.

The net \$7.8 billion outflow on liquid private capital, added to the \$22 billion net liquidity deficit, resulted in a record deficit of \$29.8 billion in the official reserve transactions balance. This represented a deterioration of almost \$20 billion from 1970. The deficit was largely financed by an increase of more than \$27.4 billion in liabilities to foreign official agencies; there was also a drop of more than \$2.3 billion in U.S. official reserve assets, following a similar loss in 1970. Virtually all the decline in reserves occurred before the August 15 suspension of dollar convertibility. Japan registered the largest gain in reserves, while the United Kingdom and some Continental European countries added substantial amounts to their reserve holdings.

over, the U.S. share of world exports declined further in 1971, and the decline was only partly due to U.S. export losses from the dock strike.

The mild expansion in U.S. economic activity was a stimulus to imports last year, but the increase was larger than past relationships between imports and domestic activity would have indicated. A partial explanation lies in the increase of more than 5 percent in the price (unit value) of imports in 1971, the second largest increase since the Korean war. Also, imports may have been spurred last year by special factors such as anticipations of import restrictions and of exchange rate realignments.

The increase of imports last year may also have reflected some acceleration in the longer term growth in U.S. preference for foreign products. This growth, over the past decade, is illustrated in the accompanying table, which relates imports to various indi-

Highlights and Perspectives

Merchandise Trade

The merchandise trade balance turned sharply adverse in 1971, recording a deficit of \$2.9 billion compared to the 1970 surplus of \$2.1 billion. Imports soared \$5.8 billion to \$45.6 billion, a rise of 14½ percent, while exports advanced \$0.8 billion to \$42.8 billion, a rise of only 2 percent. In the fourth quarter, with East and Gulf Coast ports largely shut down, the deficit reached a quarterly record of \$1,525 million; in the third quarter, when large shipments in anticipation of the strike boosted exports more than imports, the deficit was \$540 million. The average deficit for the third and fourth quarters was thus \$1,035 million, little different from the second quarter's \$1,060 million deficit but a marked erosion from the moderate \$250 million surplus in the first quarter. (All figures are on the balance of payments basis, excluding "military," which omits exports and imports of the defense agencies and reflects various other adjustments to the trade data reported by the Census Bureau.)

Calculated on the balance of pay-

ments basis, the trade deficit in 1971 was the first since 1935. (On the Census basis, the last previous deficit for a calendar year was in 1888.) The deficit in 1935 was \$60 million, or 1 percent of the combined total value of exports and imports. Last year's deficit of \$2.9 billion was equivalent to 3 percent of a vastly larger volume of two-way trade.

Threatened and actual domestic strikes on the docks and railroads and in the auto, metals, and coal industries produced major aberrations in the quarterly movement of goods into and out of the country during 1971, but they were of less significance in determining the level of exports and imports for the year as a whole. Although labor disturbances are believed to have affected exports more adversely than imports, they were probably responsible for less than one-fifth of the 1971 deterioration in the trade balance.

The dollar value of U.S. exports increased only 2 percent in 1971, a year in which export prices rose 3 percent. Underlying this sluggish performance was the substantial slackening in the rate of economic growth in the major industrialized nations abroad. More-

Ratio of Merchandise Imports to Related Domestic Indicators

	(Percent)			
	Average 1960- 64	Average 1965- 69	1970	1971
Imports + GNP—total	2.89	3.54	4.09	4.25
Imports + "Domestic demand"¹— total	2.92	3.58	4.11	4.26
Foreign passenger cars: Imports of foreign models + U.S. "demand" for all passenger cars²	5.94	8.26	15.12	16.87
Capital goods: Imports of capital goods, except automotive + investment in producers' durable equipment, except automotive	3.01	6.54	7.24	7.86
Nonfood consumer goods, except autos, gas, oil: Imports + Personal consumption expenditures	2.41	3.51	4.67	4.98
Feeds and beverages: Imports + personal consumption expenditures	4.15	4.27	4.67	4.80
Supplies and materials: Imports of industrial supplies and materials + "Domestic demand", excluding services	2.46	2.62	2.96	2.80

1. Ratios for passenger cars are computed from unit (quantity) data; other ratios are computed from value data in current prices. Note that in computing the latter ratios, the values used in the numerators (for imports) are mostly wholesale prices, f.o.b. foreign country, whereas the values used in the denominators (for personal consumption expenditures and investment) are domestic market prices. While this discrepancy affects the absolute levels of the ratios shown, it does not significantly affect the relative growth trend in import penetration.

2. GNP less exports, plus imports, of goods and services. Ratios shown are calculated using U.S. "demand" for autos, representing: U.S. factory sales to the domestic market, plus imports from Canada and overseas. An alternative calculation is the ratio of U.S. dealers' sales of foreign-model cars to total U.S. dealers' sales of all passenger cars, which in 1970 and 1971 was 15.2 percent and 16.3 percent, respectively.

cators of domestic activity with which they might reasonably be associated. It is readily apparent that imports of finished products—autos, other nonfood consumer goods, and capital goods—have risen much faster than other types of commodities, relative to appropriate domestic indicators. Particularly notable is the rapid penetration of foreign model cars in the U.S. market. In 1970 and 1971, the number of foreign model units imported was equal to more than 16 percent of domestic demand, i.e. the number of cars shipped from U.S. assembly plants for the domestic market plus imports from Canada and overseas; this was almost double the average ratio in the preceding 5 years. (In value terms, of course, the ratio of such imports to domestically produced cars was substantially less.)

Commodity developments

Agricultural exports comprise less than 20 percent of total U.S. exports but they accounted for nearly 60 percent of the modest overall increase of exports last year. They rose more than \$450 million, or 6¼ percent, to a total of \$7.8 billion (tables B-1 and 4). The increase largely reflected higher prices, although foreign supply shortages induced a surge in the physical volume of U.S. raw cotton exports. The gain in soybean exports was wholly due to higher prices. Exports of non-agricultural (nonmilitary) goods rose only about 1 percent, to \$35 billion, as a sharp decline in shipments of industrial supplies and materials—centered in steel and other metals—largely offset substantial increases in the value of civilian aircraft deliveries and in automotive exports.

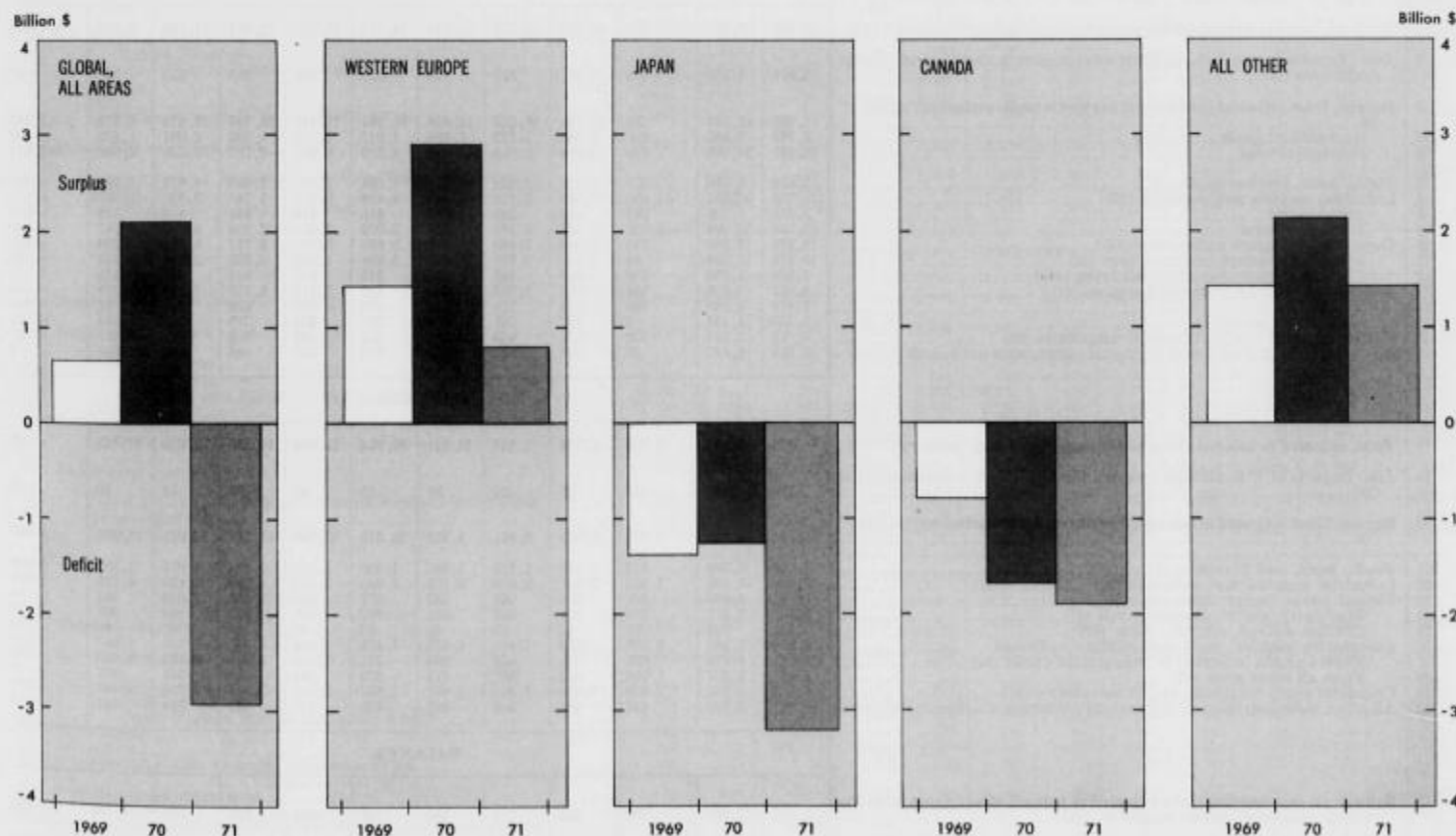
There were notable advances in imports of certain types of materials and supplies—particularly steel, aluminum, petroleum, building materials, textiles, and chemicals. Automotive imports from Canada, like exports, moved up vigorously in the wake of the late-1970 GM strike settlement, but advanced more slowly after the first quarter. Despite probable losses resulting from the dock strikes, imports of autos from overseas rose strongly enough to maintain their share of 1971's improved U.S. new car market. Imports of nonfood consumer goods (other than autos) also rose substantially in 1971, even though the protracted West Coast port strikes slowed consumer goods deliveries from Japan.

Area developments

About 80 percent of the \$5 billion

CHART 16

U.S. Merchandise Trade Balance, by Area



NOTE.—Trade balances calculated on balance of payments basis, excluding "military."

U.S. Department of Commerce, Bureau of Economic Analysis

72-3-36

adverse swing in the trade balance between 1970 and 1971 resulted from transactions with Western Europe and Japan (table B-2 and chart 16). The U.S. export surplus with Western Europe in 1971 was only \$0.8 billion, down from \$2.9 billion in 1970 and was about half as large as in 1969. The trade deficit with Japan, uninterrupted since it emerged in 1965, worsened by \$2 billion in 1971 to \$3.2 billion. The deterioration of the balances with both areas reflected absolute declines in exports accompanied by large increases in imports. In trade with Canada, U.S. exports rose less rapidly than imports in 1971, resulting in a \$200 million

worsening of the trade deficit. This worsening mainly represented an adverse shift in net automotive trade, which has been a primary contributing factor to our overall trade deficit with Canada since 1968.

U.S. Corporate Capital— Fourth Quarter and Year 1971

Net corporate capital outflows totaled \$400 million in the fourth quarter, \$945 million less than in the third. Direct investment outflows dropped more than \$1 billion and new issues of securities

sold abroad by U.S. corporations rose somewhat. These favorable shifts were only partly offset by small adverse shifts in other flows (see table C).

Preliminary data indicate that direct investment capital outflows were only \$360 million in the fourth quarter (it should be noted, however, that fourth quarter data are particularly subject to revision). This compared with an outflow of \$1.4 billion in each of the three preceding quarters. This drop occurred despite a decision by OFDI to allow companies an additional 60 days to meet their yearend program requirements. However, the OFDI decision was not announced until December and

Table B1.—U.S. Merchandise Trade, by Principal End-Use Categories—Reconciled to Balance of Payments Basis

Millions of dollars													
Line	(Numbers in parentheses () refer to line numbers in table 4)	1970	1971*	Change: 1971-70	Seasonally adjusted								Change: 1971 III-IV
					1970				1971				
					I	II	III	IV	I	II	III*	IV*	
EXPORTS													
1	Total, adjusted to balance of payments basis, including "military" (6) ..	42,990	43,937	947	10,498	20,561	10,911	20,780	11,314	14,061	11,750	9,512	-1,868
2	Less: Exports under U.S. military sales contracts identified in Census documents (7)	1,816	1,108	-708	197	279	218	310	268	855	275	240	-36
3	Equals: Total, adjusted to balance of payments basis, excluding "military" (8)	41,174	42,829	1,655	10,241	20,282	10,693	20,470	11,046	13,206	11,475	9,272	-1,043
4	Agricultural goods	7,548	7,803	255	1,743	1,772	1,888	1,942	2,118	1,909	2,004	1,572	-422
5	Nonagricultural	34,627	34,026	-601	8,498	8,510	8,805	8,528	8,928	8,797	9,381	7,700	-1,481
6	Food, feeds, and beverages (10)	5,830	6,030	200	1,328	1,420	1,551	1,534	1,592	1,406	1,628	1,385	-243
7	Industrial supplies and materials (23)	18,782	18,602	-180	3,483	3,510	3,365	3,438	3,370	3,248	3,800	2,585	-915
8	Agricultural	1,527	1,788	261	308	363	229	416	544	481	473	338	-135
9	Nonagricultural	12,255	16,804	4,549	3,067	3,136	3,067	3,022	3,674	2,764	3,027	2,247	-780
10	Capital goods, except automotive (34)	14,371	15,106	735	3,440	3,563	2,079	3,550	3,207	3,717	3,015	2,584	-331
11	Machinery, except consumer-type (38)	11,570	11,684	114	2,708	2,703	2,048	3,006	3,008	2,800	3,081	2,735	-238
12	Civilian aircraft, complete—all types (44a)	1,528	1,914	386	296	483	265	546	607	533	374	471	-95
13	Automotive vehicles, parts, and engines (40)	2,862	4,408	1,546	1,006	981	786	1,115	1,113	1,228	978	878	-250
14	To Canada (47)	2,474	2,293	-181	613	724	622	473	763	824	887	740	-147
15	To all other areas (48)	1,378	1,184	-194	393	259	203	283	344	384	341	288	-103
16	Consumer goods (nonfood), except automotive (52)	2,718	2,944	226	676	673	681	602	682	600	815	667	-159
17	All other, including balance of payments adjustments not included above	1,645	1,667	22	400	383	410	342	300	448	388	383	-5
IMPORTS													
18	Total, adjusted to balance of payments basis, including "military" (12) ..	40,440	45,704	5,264	9,773	9,961	10,431	10,364	10,834	11,803	12,448	11,128	-920
19	Less: Imports of U.S. military agencies identified in Census documents (14)	178	146	-32	45	30	30	45	47	35	35	30	-3
20	Equals: Total, adjusted to balance of payments basis, excluding "military" (15)	39,262	45,558	6,296	9,728	9,931	10,401	10,319	10,787	11,768	12,413	11,098	-917
21	Food, feeds, and beverages (61)	6,154	6,300	146	1,553	1,563	1,487	1,550	1,540	1,589	1,575	1,255	-320
22	Industrial supplies and materials (33)	18,104	18,080	-24	3,081	3,030	3,770	3,086	3,882	4,308	4,498	4,185	-313
23	Capital goods, except automotive (35)	3,753	4,080	327	615	648	943	977	980	1,068	1,042	903	-64
24	Machinery, except consumer-type (31)	3,692	3,871	179	874	897	901	923	931	992	985	966	-27
25	Civilian aircraft, complete—all types (44a)	101	228	127	42	62	42	65	88	58	94	60	-24
26	Automotive vehicles, parts, and engines—adjusted	4,810	7,580	2,770	1,314	1,414	1,470	1,424	1,748	1,842	2,107	1,807	-210
27	From Canada (adjusted to transactions value) (53)	3,241	4,174	933	701	847	877	731	1,092	1,017	1,153	1,030	-133
28	From all other areas (54)	2,269	3,387	1,118	513	567	593	693	746	825	954	777	-177
29	Consumer goods (nonfood), except automotive (57)	7,533	8,582	1,049	1,830	1,811	1,807	1,923	2,002	2,254	1,956	2,254	299
30	All other, including balance of payments adjustments not included above	1,903	2,080	177	434	295	426	490	507	527	543	541	-2
BALANCE													
31	Balance on merchandise trade adjusted to balance of payments basis including "military" (export surplus+) (16)	2,544	-1,867	-4,411	565	390	880	415	480	-742	-398	-1,316	-1,014
32	Balance on merchandise trade, adjusted to balance of payments basis excluding "military" (export surplus+) (17)	2,110	-2,879	-4,989	513	731	744	142	248	-1,061	-540	-1,036	-868

* Preliminary. † Revised.

1. Includes goods physically exported from the United States under U.S. military agency sales contracts and recorded in Census trade statistics; includes goods physically imported

into the United States directly by U.S. military agencies (and by the Atomic Energy Commission and the Coast Guard) and recorded in Census trade statistics.

NOTE.—Seasonally adjusted quarterly details may not add to unadjusted annual totals.

by that time some U.S. corporations had probably already made financing arrangements for year-end positioning. Of at least equal importance, anticipations of exchange rate changes probably contributed to the heavy outflows earlier in the year. These outflows may have substantially satisfied foreign investment plans for the year and thus contributed to the fourth quarter decline.

Corporate borrowing, including new issues of securities sold abroad, shifted favorably by \$185 million in the fourth quarter. New issues rose \$170 million

to a level of \$370 million, the highest since the first quarter of 1969, as interest rates in the Eurobond market eased somewhat, and liquidation of other long-term borrowing slowed to \$35 million from \$100 million in the third quarter. However, short-term borrowing declined by \$50 million to \$115 million. Changes in corporate claims abroad shifted unfavorably by \$285 million.

The year 1971

For the full year 1971, net outflows

of U.S. corporate capital were a record \$4.5 billion, up \$2.6 billion from 1970. Direct investment outflows increased less than \$100 million. Most of the deterioration was accounted for by a reduction in corporate borrowing abroad, which declined \$1.7 billion to a level of \$1.2 billion. The other large factor was the \$0.9 billion adverse shift in corporate short-term liquid claims.

An area breakdown of net corporate capital flows shows several major shifts. Net outflows to Western Europe were \$1.4 billion, an adverse shift of \$2.3 billion from 1970. Most of the

Table B2.—U.S. Merchandise Exports and Imports, by Major World Areas¹—Balance of Payments Basis, Excluding "Military"

(Millions of dollars)

Line		1970	1971*	Change: 1970-71	Seasonally adjusted								Change: 1971 III-IV
					1970				1971				
					I	II	III	IV	I	II	III*	IV*	
EXPORTS													
1	Total, all countries (line 2, tables 2, 3, 9)	41,880	42,780	780	10,241	30,582	10,636	10,461	11,016	10,706	11,475	1,572	-1,843
2	Developed countries, total	28,447	29,786	334	7,815	7,452	7,656	7,194	7,640	7,407	7,966	6,800	-1,016
3	Western Europe	14,174	13,808	-366	3,477	3,607	3,304	3,225	3,707	3,307	3,694	2,832	-862
4	United Kingdom	2,618	2,347	-271	687	682	616	638	722	545	568	505	-61
5	Other Western Europe (including EEC)	11,556	11,461	-95	2,790	2,925	2,688	2,587	2,985	2,762	3,126	2,327	-798
6	Canada	10,044	10,472	428	2,276	2,353	2,344	2,094	2,402	2,402	2,729	2,090	-100
7	Japan	4,048	4,007	-41	1,025	1,183	1,210	1,182	1,077	1,068	970	185	13
8	Australia, New Zealand, and South Africa	1,561	1,601	40	367	380	429	393	434	378	473	404	-60
9	Developing countries, total	13,433	12,994	-439	3,426	3,100	3,148	3,267	3,306	3,299	3,489	2,723	-867
10	Latin American Republics and other Western Hemisphere	6,441	6,429	-12	1,370	1,001	1,074	1,097	1,008	1,047	1,075	1,347	-332
11	Eastern Europe	363	406	43	82	103	97	97	102	90	103	106	3
12	Other countries in Asia and Africa	6,629	6,159	-470	1,974	1,406	1,979	1,970	1,906	1,906	1,981	1,273	-407
IMPORTS													
13	Total, all countries (line 14, tables 2, 3, 9)	39,870	46,648	6,778	9,728	9,841	9,392	10,370	10,705	11,767	12,015	11,098	-917
14	Developed countries, total	29,014	32,538	3,524	7,084	7,125	7,270	7,528	8,065	8,083	8,685	8,146	-539
15	Western Europe	11,275	12,756	1,481	2,723	2,790	2,788	2,978	3,103	3,382	3,824	2,872	-952
16	United Kingdom	2,210	2,470	260	578	544	520	570	603	571	702	550	-150
17	Other Western Europe (including EEC)	9,065	10,286	1,221	2,146	2,246	2,268	2,402	2,510	2,811	3,122	2,322	-799
18	Canada	10,720	12,352	1,632	2,820	2,673	2,857	2,870	2,970	3,129	3,194	3,004	-187
19	Japan	5,804	7,281	1,477	1,381	1,406	1,417	1,677	1,738	1,883	1,531	2,117	586
20	Australia, New Zealand, and South Africa	1,125	1,139	14	340	264	289	294	288	296	314	278	-36
21	Developing countries, total	10,856	14,110	3,254	2,644	2,708	2,722	2,791	2,710	3,704	3,330	2,892	-812
22	Latin American Republics and other Western Hemisphere	5,013	6,116	1,103	1,452	1,817	1,471	1,478	1,448	1,506	1,702	1,402	-296
23	Eastern Europe	218	226	8	55	51	51	62	57	55	61	43	-18
24	Other countries in Asia and Africa	4,725	5,776	1,051	1,137	1,138	1,200	1,251	1,206	1,443	1,567	1,447	-120
BALANCE (EXPORT SURPLUS+)													
25	Total, all countries	2,110	-3,868	-5,978	513	751	744	142	248	-1,061	-646	-1,526	-988
26	Developed countries, total	433	-3,732	-4,165	131	367	286	-344	-378	-1,250	-819	-1,256	-437
27	Western Europe	2,800	810	-2,090	754	817	778	647	634	70	103	90	110
28	United Kingdom	302	-125	-427	20	118	96	64	120	-120	-110	-1	110
29	Other Western Europe (including EEC)	2,497	935	-1,562	734	700	682	583	514	131	186	191	-25
30	Canada	-1,570	-1,580	-10	-340	-340	-340	-340	-340	-340	-340	-340	37
31	Japan	-1,240	-2,514	-1,274	-295	-295	-295	-295	-295	-295	-295	-295	-551
32	Australia, New Zealand, and South Africa	486	402	-84	97	136	140	90	106	80	150	123	-33
33	Developing countries, total	1,677	558	-1,119	382	394	418	476	625	105	279	-270	-649
34	Latin American Republics and other Western Hemisphere	861	323	-538	118	84	153	210	220	11	120	-90	-182
35	Eastern Europe	150	182	32	27	43	40	35	45	31	42	62	20
36	Other countries in Asia and Africa	666	343	-323	237	269	210	222	301	153	114	-273	-257

* Preliminary. * Revised.

1. Annual country and area data shown in this table correspond to the annual data in table 1, lines 2 and 10; seasonally adjusted quarterly data shown in this table are computed from

corresponding unadjusted quarterly data in table 1, lines 2 and 10.

Note.—Seasonally adjusted quarterly details may not add to unadjusted annual totals.

deterioration reflected reduced borrowing in Europe; direct investment outflows rose less than \$100 million. Net corporate outflows to oil-producing and less developed countries in Africa and Asia shifted adversely by about \$500 million, and outflows to international affiliates—mainly shipping companies—shifted adversely by \$250 million. Net corporate outflows to Canada, on the other hand, dropped by over \$600 million, mainly due to a fall in direct investment capital outflows by automotive and petroleum companies.

The continued high level—\$4.5 billion—of direct investment capital outflows in 1971 reflected several factors. U.S. funds helped finance the currently estimated 9 percent increase in plant and equipment expenditures in 1971 by affiliates of U.S. corporations (see the article beginning on p. 29). In addition, expectations of exchange rate changes may have generated transfers of dollars through direct investment accounts for the purpose of permitting increases in the affiliates' foreign currency holdings or reductions in their foreign currency liabilities.

The volume of new issues of securities sold abroad by U.S. corporations

increased \$325 million in 1971. This increase in new issues reflected some reduction in the cost of borrowing in the international bond market and occurred despite exchange market uncertainties, an indication of Eurobond market resiliency.

Other long-term borrowing, primarily medium-term bank financing, amounted to only \$0.1 billion in 1971, an adverse shift of \$1 billion from the previous year. Short-term borrowing also shifted adversely by \$1 billion, as a small liquidation of liabilities in 1971 followed unusually high borrowing in 1970. The improved liquidity of U.S. corporations probably contributed to the reduction in borrowing abroad in 1971, as did the fact that short-term interest rates abroad remained above U.S. rates.

The large increase in U.S. corporations' short-term liquid claims on foreigners during 1971 primarily reflected an increase in deposits abroad. This was probably due to the fact that Eurodollar rates were higher than U.S. short-term interest rates. In addition, a change in OFDI regulations may have increased the portion of long-term

foreign borrowings of U.S. corporations left on deposit abroad.

Note on Military Grants

Data on transfers of goods and services under military grant programs and military grants of goods and services (table 1, line 51 and tables 2, 3, and 9, lines 14 and 28) are understated because of the exclusion of certain transactions funded by direct Defense Department appropriations. Data on these transactions have not heretofore been available for publication.

The Defense Department currently anticipates that it will be able to provide data that meet the definitions of balance of payments methodology for inclusion in tables 1, 2, 3, and 9 on a regular basis in future issues of the Survey; data for past periods will also be provided. On a preliminary basis, the Defense Department estimates the magnitude of these transactions currently omitted from lines 14 and 28 at approximately \$2 billion in each of the calendar years 1970 and 1971. The entries in lines 14 and 28 offset each other and thus have no effect on other balance of payments accounts.

Table C.—Net Change in U.S. Corporate Foreign Assets and Liabilities¹

(Billions of dollars, seasonally adjusted)

Line	Credits (+); debits (-) (lines in table 1 in which transactions are included are indicated in ())	1970	1971*	Change: 1970-71	1970				1971				Change: 1971 III-IV
					I	II	III	IV	I	II	III	IV	
1	Direct investment (38).....	-4,445	-4,826	-381	-1,283	-1,257	-897	-824	-1,370	-1,393	-1,404	-325	1,045
2	of which: Short-term intercompany accounts with incorporated affiliates, n.s.a.....	-590	n.s.a.	n.s.a.	-751	-222	-323	-258	-265	-703	-480	n.s.a.	n.s.a.
3	Branch accounts, n.s.a.....	-540	n.s.a.	n.s.a.	-195	-556	-112	25	-188	-630	-165	n.s.a.	n.s.a.
4	Other long-term claims (44).....	-201	-96	105	-96	-12	-129	-64	-22	-9	54	-179	-169
5	New issues of securities sold abroad by U.S. corporations (49) ²	822	1,145	323	163	267	193	199	317	268	200	268	168
6	Other long-term liabilities (50).....	1,153	141	-1,012	150	289	212	224	222	61	-98	-84	54
7	Sum of capital flows above current account and long-term capital balance.....	-3,781	-3,533	-248	-1,121	-845	-881	-405	-888	-1,068	-1,243	-153	1,115
8	Short-term claims, non-liquid (46) ³	-859	-842	17	-174	-61	-29	-96	-90	-162	-106	-192	-84
9	Short-term liabilities (51) ³	916	-88	1,004	229	186	197	334	-248	6	181	118	-68
10	Sum of capital flows above net liquidity balance.....	-2,905	-3,543	-638	-1,078	-881	-883	-269	-1,301	-1,224	-1,166	-218	683
11	Short-term claims, liquid (46).....	204	-909	-1,113	121	-38	36	238	-228	55	-180	-180	-29
12	Sum of capital flows above the official reserves transactions balance.....	-1,844	-4,458	-2,614	-854	-854	-347	19	-1,388	-1,179	-1,346	-161	844
13	Uses of funds obtained through new issues of securities sold abroad by U.S. corporations.....	822	1,145	323	163	267	193	199	317	268	200	268	168
14	Additions to, and refinancing of, direct investment (39) ⁴	-378	-331	47	-89	-61	-68	-127	-80	-121	-44	-73	-29
15	Short-term claims reported by U.S. residents other than banks (50) ⁵	-84	-126	-42	-81	-14	-25	-14	-108	-31	-4	-45	-44
16	Reductions in corporate liabilities to foreign residents (50, 51) ⁶	-810	-810	0	-810	-810	-810	-810	-100	-38	-83	-37	1
17	Transfers of funds to U.S. residents (58) ⁷	-380	-418	-38	-43	-189	-80	-58	-18	-70	-14	-810	-85

* Revised. * Preliminary. N.s.a. Not seasonally adjusted. (Portion of line. N.s.a. Not available.)

1. Excludes claims and liabilities of U.S. banking and brokerage institutions but includes other private transactions, a number of which are unrelated to direct investment and cannot be disaggregated.

2. Excludes funds obtained abroad by U.S. corporations through bank loans and other credits and also excludes securities issued by subsidiaries incorporated abroad. However, securities issued by finance subsidiaries incorporated in the Netherlands Antilles are treated as if they had been issued by U.S. corporations to the extent that the proceeds of such issues are transferred to U.S. parent companies.

3. Excludes brokerage transactions.

4. A (-) reflects a decline in foreign deposits and money market paper held in the United States.

5. Excludes an increase in U.S. corporate long-term claims of \$298 million that was associated with increased foreign direct investment in the United States.

6. Includes \$11 million of proceeds from a new issue of stock sold abroad by a U.S. corporation.

Note.—Detail may not add to totals due to rounding.

Table 1.—U.S. Balance of Payments Summary

(Seasonally adjusted, millions of dollars)

Line	(Credits +; debits -)	Reference lines (table 2)	1970	1971*	Change: 1970-71	1970				1971				Change: 1971
						I	II	III	IV	I*	II*	III*	IV*	
1	Merchandise trade balance ¹	2, 110	-2,379	-4,984	-2,605	513	751	704	142	248	-1,001	-540	-1,528	-866
2	Exports	41,898	42,709	780	10,241	10,462	10,096	10,491	11,016	10,708	11,475	9,579	11,003	1,503
3	Imports	10	-30,370	-45,048	-14,678	-9,728	-9,831	-9,992	-10,319	-10,768	-11,707	-12,015	-11,098	-917
4	Military transactions, net	3, 17	-2,371	-2,351	20	-908	-808	-854	-770	-604	-667	-732	-801	-79
5	Travel and transportation, net	4, 5, 6, 18, 19, 20	-1,979	-2,240	-261	-445	-509	-553	-478	-434	-517	-550	-658	-77
6	Investment income, net ²	8, 242	7, 879	1,708	1,477	1,400	1,371	1,330	1,289	1,789	2,176	1,702	2,281	579
7	U.S. direct investments abroad	10, 11	7, 896	9, 287	1,391	2, 030	1, 973	1, 988	2, 040	2, 416	2, 416	2, 138	2, 708	276
8	Other U.S. investments abroad	12, 13	3, 608	3, 414	-194	880	886	882	851	804	833	842	878	34
9	Foreign investments in the United States	21, 22	-5,157	-4,701	456	-1,348	-1,323	-1,284	-1,212	-1,115	-1,072	-1,278	-1,808	-536
10	Other services, net	7, 8, 9, 21, 22, 23	588	728	140	147	133	107	100	311	175	175	168	-7
11	Balance on goods and services ³		3,593	699	-2,894	681	1,045	955	670	1,350	4	55	-514	-579
12	Remittances, pensions and other transfers	31, 32	-1,410	-1,429	-19	-338	-382	-350	-351	-343	-356	-385	-377	8
13	Balance on goods, services and remittances		2,183	-730	-2,913	543	663	605	319	806	-349	-330	-869	-1,182
14	U.S. Government grants (excluding military)	30	-1,736	-2,034	-298	-418	-301	-444	-485	-428	-483	-542	-602	-120
15	Balance on current account ⁴		444	-2,774	-3,218	125	283	192	-164	389	-832	-971	-1,453	-1,862
16	U.S. Government capital flows excluding nonscheduled repayments, net ⁵	34, 35, 36	-1,837	-2,071	-234	-511	-480	-386	-450	-502	-679	-621	-369	62
17	Nonscheduled repayments of U.S. Government assets	37	244	225	-19	89	114	2	40	4	102	72	48	-24
18	U.S. Government nonliquid liabilities to other than foreign official reserve agencies	50	-136	-538	-402	-36	-224	82	-233	-85	-56	-174	-221	-67
19	Long-term private capital flows, net		-1,453	-4,128	-2,675	-969	-272	-228	7	-1,009	-1,799	-1,797	-472	2,289
20	U.S. direct investments abroad	20	-2,445	-4,590	-2,145	-1,378	-1,257	-837	-634	-1,303	-1,303	-1,404	-358	1,046
21	Foreign direct investments in the United States	48	-969	-102	867	148	105	215	164	82	-18	-286	129	415
22	Foreign securities	49	-942	-619	323	-210	93	-468	-337	-363	-368	-348	79	327
23	U.S. securities other than Treasury issues	49	2,189	2,283	94	384	374	729	792	639	100	583	914	325
24	Other, reported by U.S. banks	41, 62	189	-704	-893	31	48	44	64	-127	-234	-295	-149	165
25	Other, reported by U.S. nonbanking concerns	44, 60	578	40	-538	-222	245	183	270	190	45	-44	-143	-109
26	Balance on current account and long-term capital ⁶		-2,893	-9,384	-6,491	-1,290	-678	-348	-832	-1,317	-3,267	-3,191	-1,528	1,065
27	Nonliquid short-term private capital flows, net		-545	-2,579	-2,034	-115	-140	-115	-171	-351	-489	-1,000	-731	277
28	Claims reported by U.S. banks	42	-1,016	-1,846	-830	-182	-248	-180	-269	-70	-184	-344	-628	315
29	Claims reported by U.S. nonbanking concerns	45	-308	-733	-425	-115	-55	-35	-171	-125	-189	-126	-184	-95
30	Liabilities reported by U.S. nonbanking concerns	51	830	-183	-1,013	169	191	124	362	-188	-58	76	91	16
31	Allocations of special drawing rights (SDR) ⁷	53	867	717	-150	317	217	217	216	180	179	179	179	8
32	Errors and omissions, net	64	-1,104	-10,578	-9,474	-59	-276	-297	-233	-1,043	-2,313	-5,283	-2,270	3,013
33	Net liquidity balance		-3,821	-21,973	-18,152	-1,284	-858	-675	-1,024	-2,838	-5,800	-9,343	-4,345	4,958
34	Liquid private capital flows, net		-6,000	-7,794	-1,794	-1,510	-628	-1,400	-2,454	-3,085	53	-2,882	-1,940	942
35	Liquid claims		242	-1,088	-1,330	-180	-17	181	-210	53	53	-447	-308	219
36	Reported by U.S. banks	43	-119	-830	-711	-140	-127	-93	-79	-255	31	-407	-119	258
37	Reported by U.S. nonbanking concerns	46	351	-409	-760	-33	55	286	-225	86	-160	-180	-58	58
38	Liquid liabilities	56	-6,242	-6,704	-462	-1,372	-370	-1,383	-2,611	-2,715	-33	-2,378	-1,682	693
39	To foreign commercial banks	56	-6,407	-6,902	-495	-1,343	-441	-1,319	-2,588	-2,667	-85	-2,113	-1,638	474
40	To international and regional organizations	77	779	678	-101	124	52	79	280	189	189	189	189	0
41	To other foreigners	54	54	-478	-532	-163	189	-109	108	72	-144	-369	-25	384
42	Official reserve transactions balance		-9,621	-29,767	-20,146	-2,594	-1,404	-2,478	-3,478	-5,558	-5,747	-12,186	-6,285	6,906
43	Financed by changes in:													
44	Nonliquid liabilities to foreign official reserve agencies reported by U.S. Government	54	535	341	-194	-245	736	-12	77	-5	-5	-5	200	375
45	Nonliquid liabilities to foreign official agencies reported by U.S. banks	53	-819	-580	239	-164	-235	-333	-185	-201	-169	-173	-5	165
46	Liquid liabilities to foreign official agencies	57	7,819	27,617	19,798	3,029	90	1,798	2,786	5,077	5,284	11,173	6,111	-5,062
47	U.S. official reserve assets, net	58	2,477	2,408	-69	264	805	854	824	682	689	1,194	-1,281	1,281
48	Gold	59	787	808	21	34	384	422	109	109	109	300	1	-289
49	SDR	60	-851	-249	602	-270	-254	-261	-78	-34	17	-29	-182	-153
50	Convertible currencies	61	2,153	391	-1,762	531	519	24	469	573	68	72	2	-70
51	Gold tranche position in IMF	62	288	1,350	1,062	-233	227	408	9	200	262	361	-5	-366
52	Memoranda:													
53	Transfers under military grant programs, (excluded from lines 1, 4, and 14) ⁸	14, 28	619	720	116	137	191	116	140	188	159	263	129	-124
54	Reinvested earnings of foreign incorporated affiliates of U.S. firms (excluded from lines 7 and 20)		2,885	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
55	Reinvested earnings of U.S. incorporated affiliates of foreign firms (excluded from lines 8 and 21)		434	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
56	Liquidity balance, excluding allocations of SDR	58, 57, 58, 63	-4,721	-23,977	-19,256	-1,520	-745	-1,164	-1,104	-3,235	-6,041	-10,221	-4,471	5,750
NOT SEASONALLY ADJUSTED														
57	Balance on goods and services					1,234	1,200	-34	1,248	1,513	228	-1,294	260	1,541
58	Balance on goods, services and remittances					913	925	-12	1,002	1,188	-119	-1,583	-124	1,559
59	Balance on current account					465	487	-22	842	722	-878	-2,194	-801	1,538
60	Balance on current account and long-term capital ⁶					-1,810	-899	-1,550	708	-1,262	-3,613	-4,489	51	5,529
61	Net liquidity balance					-510	-1,704	-1,404	-152	-1,847	-5,808	-10,959	-3,448	6,538
62	Official reserve transactions balance					-1,055	-2,069	-3,012	-3,174	-4,718	-6,487	-12,704	-5,853	6,821

* Revised. * Preliminary. N.A. Not available.
 1. Adjusted to balance of payments basis; excludes exports under U.S. military agency sales contracts and imports of U.S. military agencies.
 2. Includes fees and royalties from U.S. direct investments abroad or from foreign direct investments in the United States.
 3. Equal to net exports of goods and services in national income and product accounts of the United States.
 4. Includes some short-term U.S. Government assets.
 5. These data are incomplete. See note on p. 42.
 6. Details may not add to totals because of rounding.
 7. Source: U.S. Department of Commerce, Bureau of Economic Analysis.

8. Transfers of lines 18 and 31 is equal to "net foreign investment" in the national income and product accounts of the United States.

9. Includes some short-term U.S. Government assets.

10. These data are incomplete. See note on p. 42.

11. Details may not add to totals because of rounding.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 2.—U.S. International Transactions

(Millions of dollars)

Line	(Credits +; debits -) ¹	1970	1971 *	1970				1971			
				I	II	III	IV	I *	II *	III *	IV *
1	Exports of goods and services ¹	62,903	65,930	16,036	16,328	16,271	16,317	16,163	17,178	16,912	16,388
2	Merchandise, adjusted, excluding military ²	41,080	42,769	10,117	11,027	10,018	10,818	10,903	11,165	10,736	9,868
3	Transfers under U.S. military agency sales contracts.....	1,480	1,042	308	468	383	474	476	622	438	417
4	Travel.....	2,319	2,436	400	617	716	406	620	631	763	545
5	Passenger fares.....	858	898	105	145	184	110	123	125	187	124
6	Other transportation.....	2,108	2,147	807	630	641	766	794	649	672	682
7	Fees and royalties from unaffiliated foreigners.....	900	886	160	158	160	180	174	174	174	174
8	Other private services.....	1,809	1,296	256	267	280	267	300	301	383	302
9	U.S. Government miscellaneous services.....	267	567	87	87	183	110	106	108	104	91
10	Receipts of income on U.S. investments abroad:										
11	Direct investment fees and royalties.....	1,580	2,041	418	402	480	511	480	590	488	583
12	Direct investment interest, dividends and branch earnings ³	5,026	7,286	1,613	1,344	1,803	1,706	1,873	1,791	1,478	2,414
13	Other private assets.....	2,507	2,545	659	682	648	649	643	617	682	658
14	U.S. Government assets.....	906	989	197	241	189	249	176	228	180	305
15	Transfers of goods and services under U.S. military grant program, net ⁴	813	729	147	232	98	144	210	194	208	194
16	Imports of goods and services.....	-69,313	-68,231	-13,891	-16,631	-15,823	-14,967	-14,670	-14,849	-17,603	-14,406
17	Merchandise, adjusted, excluding military ²	-30,870	-45,646	-10,468	-10,624	-10,808	-10,630	-10,478	-12,008	-11,853	-11,900
18	Direct defense expenditures.....	-4,861	-4,796	-1,182	-1,255	-1,211	-1,203	-1,174	-1,214	-1,300	-1,218
19	Travel.....	-2,063	-4,201	-617	-1,080	-1,624	-682	-663	-1,118	-1,078	-784
20	Passenger fares.....	-1,216	-1,220	-234	-282	-308	-211	-205	-419	-288	-220
21	Other transportation.....	-2,780	-8,017	-691	-695	-756	-708	-602	-708	-804	-782
22	Fees and royalties to unaffiliated foreigners.....	-110	-125	-30	-30	-30	-31	-31	-31	-31	-31
23	Private payments for other services.....	-630	-689	-162	-187	-183	-170	-174	-176	-186	-186
24	U.S. Government payments for miscellaneous services.....	-720	-796	-159	-151	-215	-200	-165	-164	-220	-200
25	Payments of income on foreign investments in the United States:										
26	Direct investment fees and royalties.....	-111	-81	-23	-20	-28	-30	-28	-21	-28	-22
27	Direct investment interest, dividends and branch earnings ³	-441	-404	-128	-67	-68	-120	-142	-108	-133	-111
28	Other private liabilities.....	-3,801	-2,332	-605	-628	-670	-793	-628	-586	-680	-692
29	U.S. Government liabilities.....	-1,024	-1,844	-304	-243	-273	-304	-290	-288	-512	-822
30	U.S. military grants of goods and services, net ⁴	-813	-729	-147	-232	-98	-144	-210	-194	-208	-194
31	Unilateral transfers (excluding military grants), net.....	-3,148	-3,473	-769	-813	-765	-738	-781	-893	-803	-981
32	U.S. Government grants (excluding military).....	-1,730	-2,014	-447	-430	-402	-450	-457	-530	-501	-827
33	U.S. Government pensions and other transfers.....	-462	-640	-100	-118	-122	-122	-124	-141	-138	-137
34	Private remittances and other transfers.....	-948	-819	-221	-267	-241	-226	-201	-227	-264	-237
35	U.S. Government capital flows, net.....	-1,536	-1,817	-494	-439	-357	-314	-661	-651	-399	-226
36	Loans and other long-term assets.....	-3,285	-4,037	-874	-920	-707	-784	-1,175	-1,200	-724	-840
37	Foreign currencies and other short-term assets, net.....	-27	185	10	-43	43	-46	81	62	5	18
38	Repayments on credits:										
39	Scheduled.....	1,475	1,780	253	411	304	478	420	488	396	588
40	Nonscheduled ⁵	244	225	88	114	3	40	4	102	72	48
41	U.S. private capital flows, net.....	-6,814	-9,585	-1,944	-2,269	-995	-1,796	-2,768	-2,860	-2,740	-2,709
42	Direct investments abroad ⁶	-4,445	-4,320	-1,873	-1,963	-747	-464	-1,545	-1,758	-1,204	72
43	Foreign securities.....	-242	-910	-210	93	-488	-237	-353	-368	-248	70
44	Claims reported by U.S. banks:										
45	Long-term.....	183	-541	24	48	22	25	25	-173	-217	-170
46	Short-term nonliquid.....	-1,015	-1,845	13	-401	278	-542	105	-370	-400	-1,081
47	Short-term, liquid.....	-110	-580	340	-136	-6	-218	18	23	-340	-258
48	Claims reported by U.S. nonbanking concerns:										
49	Long-term.....	-577	-90	-281	-13	-128	-24	-32	-0	64	-100
50	Short-term, nonliquid.....	-880	-570	-64	-42	17	-281	-02	-187	-61	-206
51	Short-term, liquid.....	361	-500	-3	-70	51	402	-351	-17	-123	-18
52	Foreign capital flows, net.....	5,824	22,019	1,660	1,668	2,439	626	2,354	6,728	9,082	4,858
53	Direct investments in the United States ⁷	960	-192	480	106	216	180	93	-10	-388	120
54	U.S. securities other than Treasury issues.....	2,190	2,261	304	374	720	702	560	106	682	914
55	Other U.S. nonliquid liabilities to private foreigners:										
56	Long-term, reported by U.S. nonbanking concerns.....	1,133	141	70	343	227	504	142	34	-183	146
57	Short-term, reported by U.S. nonbanking concerns.....	530	-106	93	168	300	362	-250	-70	164	61
58	Long-term, reported by U.S. banks.....	16	-268	7	19	22	-32	-152	-51	-75	34
59	Long-term liabilities to foreign official agencies reported by U.S. banks.....	-916	-633	-154	-336	-233	-188	-201	-163	-173	-5
60	Nonliquid liabilities reported by U.S. Government:										
61	To foreign official reserve agencies.....	636	341	-280	743	-5	66	-2	-4	-5	380
62	To other official and private foreigners.....	-400	-834	-28	-205	30	-168	-89	-110	-203	-144
63	U.S. liquid liabilities:										
64	To private foreigners.....	6,240	-4,705	-1,892	-131	-1,218	-3,206	-2,632	130	-2,120	-2,102
65	To foreign official agencies.....	7,019	27,617	2,784	539	2,940	2,267	4,770	5,788	11,507	4,646
66	Transactions in U.S. official reserve assets, net.....	2,477	2,349	-388	1,022	891	1,040	145	635	1,373	-6
67	Gold.....	787	895	-44	14	365	422	300	455	300	1
68	SDR.....	861	-240	-920	-37	-34	140	-602	106	150	-3
69	Convertible currencies.....	2,152	381	531	516	34	400	373	-80	72	2
70	Gold tranche position in IMF.....	369	1,354	-233	227	406	0	254	252	361	-6
71	Allocations of special drawing rights (SDR).....	667	717	867				717			
72	Errors and omissions, net.....	-1,164	-10,878	-185	-487	-421	-97	-1,080	-3,373	-5,222	-2,186

* Preliminary. * Revised. * Less than \$500,000 (±).

1. Credits, +; Exports of goods and services; unilateral transfers to U.S.; capital inflows (increase in U.S. liabilities or decrease in U.S. assets); decrease in U.S. official reserve assets.

Debits, -: Imports of goods and services; unilateral transfers to foreigners; capital outflows (decrease in U.S. liabilities or increase in U.S. assets); increase in U.S. official reserve assets.

2. Excludes transfers of goods and services under U.S. military grant programs.

3. Excludes exports of goods under U.S. military agency sales contracts identified in Census

report documents, and imports of goods included under direct defense expenditures identified in Census import documents, and reflects various other balance-of-payments adjustments (for valuation, coverage, and timing) to Census statistics; see table 4.

4. Excludes reinvested earnings of foreign incorporated subsidiaries of U.S. firms or of U.S. incorporated subsidiaries of foreign firms.

5. Includes sales of foreign obligations to foreigners.

6. These data are incomplete. See note on p. 42.

Note.—Details may not add to total because of rounding.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 3.—U.S. International Transactions—Seasonally Adjusted

(Millions of dollars)

Line	(Credits +; debits -)	1970				1971			
		I	II	III	IV	I*	II*	III*	IV*
1	Exports of goods and services ¹	15,374	16,596	15,980	15,795	16,539	16,628	17,087	16,678
2	Merchandise, adjusted, excluding military ²	10,241	10,462	10,090	10,461	11,018	10,708	11,476	9,572
3	Transfers under U.S. military agency sales contracts	274	447	837	433	510	847	408	417
4	Travel	454	673	550	501	504	581	535	551
5	Passenger fares	120	142	134	141	157	150	134	158
6	Other transportation	294	774	550	758	774	580	534	534
7	Fees and royalties from unaffiliated foreigners	150	150	150	150	174	174	174	174
8	Other private services	204	237	260	207	200	301	303	302
9	U.S. Government miscellaneous services	80	80	107	110	110	98	106	91
10	Receipts of income on U.S. investments abroad:								
11	Direct investment fees and royalties	449	496	466	458	483	544	494	518
12	Direct investment interest, dividends and branch earnings ³	1,890	1,409	1,337	1,529	1,557	1,872	1,537	2,199
13	Other private assets	845	548	600	642	661	804	644	645
14	U.S. Government assets	229	228	222	200	218	228	196	230
15	Transfers of goods and services under U.S. military grant programs, net ⁴	197	191	116	163	988	169	253	129
16	Imports of goods and services	-14,493	-14,761	-14,935	-15,126	-16,389	-16,622	-17,031	-16,193
17	Merchandise, adjusted, excluding military ²	-8,728	-9,831	-8,992	-10,339	-10,768	-11,767	-13,015	-11,086
18	Direct defense expenditures	-1,182	-1,285	-1,211	-1,208	-1,174	-1,214	-1,160	-1,218
19	Travel	-923	-1,010	-1,021	-967	-969	-1,096	-1,046	-1,083
20	Passenger fares	-298	-285	-320	-319	-267	-310	-330	-236
21	Other transportation	-641	-683	-728	-687	-723	-787	-787	-790
22	Fees and royalties to unaffiliated foreigners	-30	-30	-30	-30	-31	-31	-31	-31
23	Private payments for other services	-180	-182	-157	-100	-107	-170	-176	-177
24	U.S. Government payments for miscellaneous services	-179	-181	-182	-167	-175	-207	-204	-191
25	Payments of income on foreign investments in the United States:								
26	Direct investment fees and royalties	-22	-30	-28	-30	-30	-21	-23	-22
27	Direct investment interest, dividends and branch earnings ³	-120	-100	-104	-107	-135	-120	-140	-88
28	Other private liabilities	-208	-242	-206	-228	-228	-244	-273	-283
29	U.S. Government liabilities	-207	-241	-280	-290	-296	-387	-537	-501
30	U.S. military grants of goods and services, net ⁵	-137	-101	-116	-169	-169	-188	-283	-129
31	Unilateral transfers (excluding military grants), net	-768	-763	-893	-836	-779	-838	-827	-939
32	U.S. Government grants (excluding military)	-418	-301	-444	-485	-426	-483	-542	-562
33	U.S. Government pensions and other transfers	-100	-116	-123	-122	-124	-141	-138	-137
34	Private remittances and other transfers	-238	-244	-237	-229	-216	-214	-237	-240
35	U.S. Government capital flows, net	-123	-368	-394	-416	-596	-577	-349	-321
36	Loans and other long-term assets	-723	-581	-640	-636	-1,022	-1,251	-986	-908
37	Foreign currencies and other short-term assets, net	-130	16	79	17	-68	142	31	51
38	Repayments on credits:								
39	Scheduled	242	384	360	368	495	430	413	450
40	Nonscheduled ⁶	68	114	2	40	4	102	72	46
41	U.S. private capital flows, net	-1,911	-1,579	-1,718	-1,547	-2,426	-2,281	-3,485	-1,894
42	Direct investments abroad ⁴	-1,358	-1,247	-897	-924	-1,370	-1,383	-1,404	-858
43	Foreign securities	-210	79	-488	-337	-353	-388	-249	70
44	Claims reported by U.S. banks:								
45	Long-term	24	49	22	38	25	-173	-217	-176
46	Short-term, nonliquid	-102	-288	-380	-306	-70	-189	-064	-083
47	Short-term, liquid	140	-127	-53	-79	-85	31	-407	-119
48	Claims reported by U.S. nonbanking concerns:								
49	Long-term	-261	-13	-120	-64	-32	0	64	-109
50	Short-term, nonliquid	-110	-23	-80	-171	-125	-138	-129	-164
51	Short-term, liquid	122	-23	36	234	-235	55	-159	-180
52	Foreign capital flows, net	1,837	1,406	1,586	1,416	2,603	5,085	3,885	5,745
53	Direct investments in the United States ⁴	488	106	218	160	92	-16	-388	128
54	U.S. securities other than Treasury issues	304	374	720	702	550	106	582	914
55	Other U.S. nonliquid liabilities to private foreigners:								
56	Long-term, reported by U.S. nonbanking concerns	160	368	312	324	222	51	-03	-24
57	Short-term, reported by U.S. nonbanking concerns	163	151	124	302	-136	-85	75	94
58	Long-term, reported by U.S. banks	7	19	32	-32	-152	-61	-78	30
59	Long-term liabilities to foreign official agencies reported by U.S. banks	-154	-235	-232	-195	-202	-169	-175	-5
60	Nonliquid liabilities reported by U.S. Government:								
61	To foreign official reserve agencies	-265	735	-19	77	-8	-8	-0	308
62	To other official and private foreigners	-30	-224	82	-203	-84	-88	-174	-221
63	U.S. liquid liabilities:								
64	To private foreigners	-1,872	-376	-1,383	-2,011	-2,716	-32	-2,325	-1,622
65	To foreign official agencies	2,029	00	1,734	2,795	5,077	6,204	11,175	8,111
66	Transactions in U.S. official reserve assets, net	254	305	584	524	682	689	1,194	-187
67	Gold	-44	14	205	422	180	484	200	1
68	SDR	-270	-254	-251	-78	-55	17	-20	-182
69	Convertible currencies	831	518	34	440	378	-04	72	2
70	Gold tranche position in IMF	-253	227	406	9	235	252	681	-8
71	Allocations of special drawing rights (SDR)	217	217	217	215	169	179	179	179
72	Errors and omissions, net	-59	-278	-437	-231	-1,042	-2,316	-5,283	-2,279

* Revised. * Preliminary.
 1. Credits, +: Exports of goods and services; unilateral transfers to U.S.; capital inflows (increase in U.S. liabilities or decrease in U.S. assets); decrease in U.S. official reserve assets.
 Debits, -: Imports of goods and services; unilateral transfers to foreigners; capital outflows (decrease in U.S. liabilities or increase in U.S. assets); increase in U.S. official reserve assets.
 2. Excludes transfers of goods and services under U.S. military grant programs.
 3. Excludes exports of goods under U.S. military agency sales contracts identified in Census

export documents, and imports of goods included under direct defense expenditures identified in Census import documents, and reflects various other balance-of-payments adjustments (for valuation, coverage, and timing) to Census statistics; see table 4.
 4. Excludes reinvested earnings of foreign-incorporated affiliates of U.S. firms or of U.S. incorporated affiliates of foreign firms.
 5. Includes sales of foreign obligations to foreigners.
 6. These data are incomplete. See note on p. 42.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 4.—U.S. Merchandise Trade

(Millions of dollars)

Line		1970	1971	Not seasonally adjusted								Seasonally adjusted							
				1970				1971				1970				1971			
				I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV
EXPORTS																			
1	Merchandise exports, Census basis, including reexports and military grant shipments.....	43,224	44,337	10,441	11,353	10,270	11,358	11,346	11,550	11,384	10,346	10,474	10,327	10,970	10,918	11,289	11,320	11,434	9,361
2	Merchandise exports, Census basis, including reexports, excluding military grant shipments.....	42,559	43,554	10,194	11,216	10,157	11,044	11,115	11,406	10,830	10,106	10,227	10,797	10,846	10,757	11,239	10,965	11,381	9,726
2a	Regular additions to Census exports.....	368	406	91	92	80	83	80	121	87	107	17	68	81	82	94	116	90	105
2b	Private gift parcel remittances.....	70	64	18	17	19	26	16	17	15	17	13	17	16	24	15	17	10	17
2c	Virgin Islands exports to foreign countries.....	17	20	2	4	6	5	8	12	6	6	6	4	6	4	3	12	6	6
2d	Gold exports, nonmonetary.....	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
2e	Inland freight (to Canada) valuation adjustment.....	206	284	63	70	66	67	65	74	70	70	66	65	66	66	66	66	72	70
2f	Other regular additions ¹	-2	30	10	1	-14	8	18	-3	7	10	1	1	-14	6	18	-4	7	7
3	Regular deductions from Census exports ¹	28	27	7	7	7	7	7	7	9	7	7	7	7	7	7	7	6	7
4	Special adjustments, net ¹	8	8	30	3	-3	-23	2	1	.....	.....	21	-15	-21	-62	-12	-13	-10	-14
4a	Of which: quarterly allocation of annual seasonal adjustment discrepancy ¹.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	-15	-15	-15	-19	-14	-14	-10	-14
5	Equals: Merchandise exports, adjusted to balance of payments basis, including "military".....	42,590	43,517	10,314	11,306	10,233	11,137	11,201	11,530	11,011	10,205	10,438	10,941	10,911	10,759	11,314	11,061	11,750	9,612
6	Less: Merchandise exports transferred under U.S. military agency sales contracts identified in Census documents ²	1,010	1,055	197	273	215	311	298	385	275	240	197	279	316	318	396	355	275	249
7	Equals: Merchandise exports, adjusted to balance of payments basis, excluding "military" (table 2, line 2).....	41,580	42,462	10,117	11,033	10,018	10,826	10,903	11,145	10,736	9,965	10,241	10,622	10,595	10,441	10,918	10,706	11,475	9,363
IMPORTS																			
8	Merchandise imports, Census basis (general imports).....	39,962	45,693	9,458	10,040	9,873	10,668	10,517	12,012	11,190	11,350	9,721	9,664	10,320	10,328	10,796	11,756	11,959	11,969
9	Regular additions to Census imports.....	407	620	106	202	83	214	112	140	165	168	100	102	83	114	112	146	165	183
9a	Virgin Islands imports from foreign countries.....	242	367	94	63	43	67	64	89	120	114	69	62	43	67	64	89	120	114
9b	Gold imports, nonmonetary.....	162	210	36	30	30	44	45	42	67	62	30	36	36	44	44	42	67	62
9c	Other regular additions ¹	13	23	5	3	4	8	8	6	6	7	3	3	4	3	8	6	8	7
10	Regular deductions from Census imports.....	308	468	37	90	64	94	119	128	87	129	60	92	85	37	113	119	114	132
10a	Automotive valuation adjustment.....	344	440	34	95	68	97	128	127	86	129	60	91	85	35	112	118	118	132
10b	Other regular deductions ¹	4	28	1	1	(*)	2	1	1	1	(*)	1	1	(*)	2	1	1	1	(*)
11	Special adjustments, net ¹	40	24	27	2	6	8	10	14	.....	.....	30	7	20	6	18	29	8	7
11a	Of which: quarterly allocation of annual seasonal adjustment discrepancy ¹.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	2	5	4	4	7	7	8	7
12	Equals: Merchandise imports, adjusted to balance of payments basis, including "military".....	40,369	46,313	9,565	10,074	9,937	10,775	10,637	12,026	11,356	11,338	9,773	9,681	10,431	10,364	10,916	11,905	12,048	12,129
13	Less: Merchandise imports of U.S. military agencies identified in Census documents ²	179	148	45	80	39	45	47	36	33	30	45	40	39	40	47	36	33	30
14	Equals: Merchandise imports, adjusted to balance of payments basis, excluding "military" (table 2, line 13).....	39,970	45,648	9,460	10,024	9,896	10,730	10,590	11,990	11,325	11,308	9,728	9,641	10,392	10,324	10,869	11,767	12,015	11,899
BALANCE																			
15	Balance on merchandise trade, adjusted to balance of payments basis, including "military" (line 6 less line 14) [export surplus -].....	2,041	-2,827	811	1,532	338	563	676	-634	-876	-1,134	485	300	660	416	499	-742	-290	-1,316
16	Balance on merchandise trade, adjusted to balance of payments basis, excluding "military" (line 6 less line 13) [export surplus -].....	2,184	-2,679	859	1,063	260	228	425	-640	-1,117	-1,304	613	751	784	143	248	-1,043	-540	-1,826
TRADE BY END-USE																			
17	Merchandise exports, Census basis, including military grant shipments (line 1).....	43,224	44,337	10,441	11,353	10,270	11,358	11,346	11,550	11,384	10,346	10,474	10,327	10,970	10,918	11,289	11,320	11,434	9,361
17a	Agricultural products.....	1,344	7,763	1,079	1,764	1,680	2,327	2,646	1,557	1,695	1,043	1,735	1,775	1,690	1,937	2,123	1,908	2,119	1,607
17b	Nonagricultural products.....	25,574	35,554	8,662	9,009	8,688	9,028	9,198	9,873	9,100	8,303	8,739	8,187	9,084	8,961	9,281	9,315	9,723	8,172
17c	Excluding military grant shipments.....	31,310	36,773	8,618	9,460	8,463	8,867	9,050	9,618	9,036	8,152	8,692	8,022	8,951	8,800	9,121	9,080	9,089	8,031
18	Food, feeds, and beverages.....	5,539	6,694	1,307	1,347	1,413	1,754	1,535	1,439	1,437	1,594	1,238	1,420	1,581	1,334	1,563	1,494	1,438	1,396
18a	Grains and preparations.....	3,071	2,984	600	684	760	970	415	708	768	670	671	721	732	671	705	747	740	633
18b	Soybeans.....	1,218	1,370	262	313	226	409	318	304	308	369	279	331	364	273	339	326	400	366
18c	Other foods, feeds, and beverages.....	1,262	1,769	355	370	445	415	403	425	406	523	280	388	400	390	420	422	398	487
19	Industrial supplies and materials.....	12,782	12,832	3,339	3,638	3,322	3,494	3,242	3,557	4,448	1,648	3,463	3,510	4,153	3,438	3,470	3,243	3,390	2,565
19a	Fuels and lubricants.....	1,507	1,500	307	308	418	404	373	424	438	272	355	303	404	454	430	405	467	380
20	Paper and paper base stocks.....	1,139	1,069	254	280	297	268	277	281	280	282	263	264	301	291	290	270	301	223
21	Textile supplies and materials.....	1,051	1,300	201	288	196	274	412	340	301	291	268	277	328	279	340	326	339	280
22	Raw cotton, including lint.....	478	569	116	111	47	104	194	168	164	126	97	103	67	118	181	141	126	158
23	Tobacco, unmanufactured.....	428	463	84	107	107	180	118	122	144	68	120	121	108	130	182	137	164	45
24	Chemicals, excluding medicinals.....	3,060	2,886	777	814	734	719	777	937	871	801	788	739	736	725	750	917	671	671
25	Other nonmetals (rubber, tallow, minerals, wood, rubber, tires, etc.).....	2,847	2,707	648	674	633	688	687	602	668	664	645	668	667	662	684	674	690	644
26	Steelmaking materials.....	647	263	100	160	166	120	72	78	70	44	129	151	120	124	93	68	50	47
27	Iron and steel products.....	1,368	852	300	417	327	374	208	246	253	324	378	404	348	261	245	286	268	311
28	Other metals, primary and advanced, including advanced steel.....	1,873	1,428	499	473	462	449	396	369	382	282	490	442	478	470	301	371	365	281
29	Capital goods, except automobiles.....	14,371	16,806	3,985	3,794	3,397	3,673	3,963	4,941	3,618	3,584	3,448	3,683	3,478	3,661	3,491	3,117	3,915	3,584
30	Machinery, except consumer-type.....	11,670	11,484	2,730	2,974	2,640	2,800	2,961	2,984	2,893	2,781	2,788	2,792	2,945	3,086	2,900	2,800	3,061	2,735
31	Electrical and electronic, and parts and attachments.....	2,079	3,110	522	532	408	506	321	552	434	426	510	513	329	472	450	493	589	623
32	Non-electrical, and parts and attachments.....	9,493	8,473	2,218	2,422	2,362	2,476	2,440	2,432	2,394	2,227	2,265	2,391	2,619	2,674	2,476	2,472	2,602	2,219
33	Construction machinery and nonfarm tractors and parts.....	1,863	1,687	485	603	508	691	484	544	670	413	482	478	606	498	644	438	479	415
34	Textile and other specialized industry machinery and parts.....	906	696	204	234	237	241	229	238	226	205	216	219	341	234	237	217	237	196
35	Other industrial machinery and parts, n.e.c.....	3,806	2,911	912	981	969	1,004	1,014	898	898	916	922	922	1,022	1,012	1,028	919	1,045	916
36	Agricultural machinery and farm tractors and parts.....	360	361	162	94	83	81	83	102	99	98	93	75	97	94	77	87	104	89
37	Business and office machines, computers, etc., and parts.....	1,702	1,702	378	419	430	430	448	434	393	436	306	417	453	450	440	421</		

Table 4.—U.S. Merchandise Trade—Continued

(Millions of dollars)

Line		1970	1971*	Not seasonally adjusted								Seasonally adjusted							
				1970				1971				1970				1971			
				I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV
TRADE BY END USE—Continued																			
46	Automotive vehicles, parts, and engines.....	3,582	4,104	989	1,101	814	829	1,101	1,222	1,088	1,074	929	1,005	991	754	1,116	1,115	1,229	878
47	To Canada.....	3,479	3,223	867	980	734	827	784	920	888	821	815	725	652	479	792	823	887	740
48	To all other areas.....	1,178	1,184	381	206	280	302	317	302	211	254	307	281	339	275	324	292	341	238
49	Passenger cars, new and used.....	887	1,103	179	380	179	170	380	383	249	282	186	290	267	141	209	267	267	220
50	Trucks, buses, and special vehicles.....	900	801	143	148	188	131	149	154	165	131	149	129	181	135	150	147	171	135
51	Parts, bodies, and accessories, including engines and parts, n.e.c.....	2,206	2,823	889	480	407	822	942	794	609	681	611	580	673	483	696	639	680	604
52	Consumer goods (nonfood), except automotive.....	2,218	2,344	665	705	681	689	673	724	756	653	676	673	681	682	689	689	686	657
53	Consumer durables, manufactured.....	1,006	1,084	243	259	237	271	248	269	286	250	247	241	252	279	243	253	304	276
54	Consumer nondurables, manufactured.....	1,087	1,638	383	416	394	383	383	420	477	367	401	401	398	390	401	409	477	343
55	Unmanufactured consumer goods (gem stones, precious and nonprecious).....	129	131	30	32	29	32	30	30	30	30	28	31	34	30	29	34	34	36
56	Special category (military-type goods).....	1,368	1,497	239	264	293	423	363	452	362	321	289	364	283	422	362	452	362	321
57	Exports, n.e.c., and reexports.....	1,800	1,838	334	385	485	397	349	426	373	372	349	340	411	396	351	409	387	349
58	Domestic (low-value, miscellaneous).....	808	889	202	221	226	214	243	243	224	219	219	216	234	212	221	234	236	206
59	Foreign (reexports).....	634	599	134	104	183	173	154	184	149	153	130	143	157	174	160	172	161	153
60	Merchandise imports, Census basis (line 3).....	29,922	45,802	9,463	10,089	8,833	10,454	10,617	12,012	11,728	11,255	9,721	9,864	10,023	10,322	10,798	11,765	11,969	11,059
61	Food, feeds, and beverages.....	6,154	6,309	1,473	1,646	1,490	1,470	1,693	1,894	1,312	1,553	1,663	1,463	1,569	1,550	1,688	1,675	1,745	1,235
62	Coffee, cocoa, and sugar.....	2,866	2,113	494	534	534	504	607	588	527	528	528	508	499	525	505	497	448	395
63	Green coffee.....	1,169	1,168	202	307	370	283	203	308	308	189	389	329	378	274	291	320	384	146
64	Cocoa sugar.....	720	794	181	200	210	174	147	210	248	159	190	180	183	173	214	182	212	148
65	Other foods, feeds, and beverages.....	4,069	4,256	979	1,012	946	1,129	971	1,131	1,206	964	1,035	1,011	981	1,051	1,018	1,131	1,257	890
66	Industrial supplies and materials.....	15,308	16,459	3,468	3,758	3,969	3,864	4,612	4,483	4,121	3,981	3,581	3,658	3,776	3,588	3,882	4,386	4,456	4,166
67	Fuels and lubricants.....	3,087	3,089	646	710	784	786	884	903	980	1,000	778	740	748	801	748	909	1,002	1,043
68	Paper and paper base stocks.....	1,578	1,481	308	306	372	411	385	424	403	429	413	389	382	393	392	426	411	412
69	Materials associated with nondurable goods and farm output, n.e.c.....	2,884	3,184	746	738	672	712	808	876	820	860	687	710	721	758	737	848	878	890
70	Textile supplies and materials.....	1,200	1,412	314	300	284	304	343	363	370	313	297	299	291	322	319	370	379	328
71	Tobacco, unmanufactured.....	111	89	48	30	28	10	24	31	18	6	25	28	40	20	17	36	43	11
72	Chemicals, excluding medicines.....	839	950	208	227	105	206	242	286	289	174	209	212	284	216	232	283	280	185
73	Other (dyes, copers, materials for making photos, drugs, dyes).....	718	606	174	167	170	101	183	168	166	140	162	171	188	199	169	106	179	168
74	Building materials, except metals.....	1,004	1,830	200	260	200	206	263	345	283	347	238	240	242	284	277	329	381	361
75	Materials associated with durable goods output, n.e.c.....	6,804	7,184	1,436	1,657	1,728	1,790	1,972	1,096	1,911	1,690	1,679	1,575	1,678	1,770	1,728	1,888	1,839	1,660
76	Steelmaking materials.....	734	784	114	154	230	190	137	240	236	171	187	172	198	179	213	225	194	155
77	Iron and steel products.....	2,191	2,871	410	623	870	682	806	804	772	888	481	486	581	667	703	780	799	676
78	Other metals, primary and advanced, including advanced steel.....	2,080	2,406	646	634	663	646	577	662	625	642	636	644	607	675	568	623	663	682
79	Nonmetals (gums, oils, resins, minerals, rubber, tires, etc.).....	1,030	1,079	267	289	246	262	259	289	279	254	207	241	290	262	249	266	289	267
80	Capital goods, except automotive.....	3,783	4,099	823	978	926	957	989	1,032	1,028	971	918	939	944	977	934	1,058	1,445	936
81	Machinery, except consumer-type.....	3,692	3,871	881	937	883	901	941	1,020	974	931	874	897	904	922	931	992	989	935
82	Electrical and electronic, and parts and attachments.....	1,017	1,167	235	280	260	266	264	302	289	292	258	262	268	260	261	303	288	404
83	Nonferrous, and parts and attachments.....	2,674	2,714	642	971	823	639	677	724	885	689	643	639	689	650	670	889	957	661
84	Construction, textile and other specialized industry machinery and nonfarm tractors and parts.....	682	691	128	144	147	137	139	163	164	134	144	145	148	154	154	178	188	150
85	Other industrial machinery and parts, n.e.c.....	937	698	230	230	228	234	278	252	220	188	243	231	226	280	233	243	218	195
86	Agricultural machinery and farm tractors and parts.....	357	364	100	101	77	75	100	102	87	70	66	84	80	89	80	84	90	82
87	Business and office machines, computers, etc., and parts.....	471	581	107	120	110	128	120	151	128	148	108	119	118	129	127	129	134	146
88	Scientific, professional and service-industry equipment and parts; and miscellaneous transportation equipment.....	269	229	66	61	61	66	67	61	66	61	66	61	66	66	66	66	66	61
89	Civilian aircraft, engines, parts.....	191	229	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42
90a	Civilian aircraft, complete—all types.....	48	48	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16
90	Automotive vehicles, parts, and engines.....	3,582	4,104	1,449	1,613	1,369	1,434	1,321	2,000	1,812	2,176	1,399	1,504	1,655	1,597	1,869	1,860	2,320	1,909
91	From Canada.....	3,457	4,099	889	1,031	716	906	1,121	1,241	981	1,306	878	932	932	834	1,114	1,135	1,290	1,132
92	From Canada, miscellaneous value.....	3,471	4,174	299	928	440	678	1,006	1,114	875	1,179	791	847	867	761	1,003	1,077	1,169	1,090
93	From all other areas.....	2,260	3,382	384	683	540	659	800	967	861	869	628	567	723	735	755	725	929	877
94	Passenger cars, new and used.....	3,731	3,140	680	1,044	729	682	1,253	1,304	1,149	1,343	900	956	935	680	1,107	1,286	1,467	1,278
95	Trucks, buses, and special vehicles.....	730	860	102	167	177	223	174	204	203	274	166	179	280	181	178	221	236	222
96	Parts, bodies, and accessories, including engines and parts, n.e.c.....	1,490	2,019	332	361	346	428	404	588	480	567	326	369	411	308	496	491	527	514
97	Consumer goods (nonfood), except automotive.....	2,553	2,642	1,682	1,509	1,654	2,047	1,891	2,266	2,168	2,238	1,830	1,861	1,897	1,982	2,092	2,251	1,936	2,284
98	Consumer durables, manufactured.....	4,088	4,022	871	979	1,100	1,112	1,000	1,222	1,134	1,347	884	1,086	1,033	1,047	1,127	1,256	1,379	1,275
99	Consumer nondurables, manufactured.....	2,980	3,310	648	700	682	763	701	832	914	809	706	719	730	783	828	846	794	848
100	Unmanufactured consumer goods (gums, nursery stock).....	825	863	139	129	126	142	121	151	140	142	128	127	138	182	137	153	141	181
101	Imports, n.e.c. (low value, goods returned, military aircraft, Government purchased uranium, stocks, exhibits).....	1,399	1,628	308	348	376	372	382	404	392	460	342	338	371	346	426	358	384	381

* Preliminary. * Revised. * Less than \$500,000.

1. Mainly net additions to or liquidations of U.S.-owned grains stored in Canada, and exports of electrical energy.

2. Mainly exports of exposed motion picture film for rental rather than sale, and exports to Panama Canal Zone.

3. Irregular and occasional adjustments; valuation adjustments for goods considered to be underpriced or overpriced in Census data; timing adjustments for goods recorded in Census data in one period but found to have been shipped in another; and coverage adjustments for special situations in which shipments were omitted from Census data.

4. Correction for discrepancy between sum of four quarters, seasonally adjusted, and the unadjusted recorded annual totals.

5. Exports of military equipment under U.S. military agency sales contracts with foreign governments to the extent such exports are identifiable from Census export documents. These exports are included in table 2, line 8: "Transfers under U.S. military agency sales contracts."

6. Mainly imports of electrical energy.

7. Mainly foreign charges for repair of U.S. vessels abroad, which are included in tables 2, 3, and 9, line 20 (Other transportation); also imports from Panama Canal Zone, and imports of domestically-owned goods returned from storage in Canada.

8. Merchandise imported directly by the Department of Defense, as well as "defense" imports of the Coast Guard and Atomic Energy Commission, to the extent such imports are identifiable from Census import documents and verifiable from separate reports of the importing agencies. These imports are included in tables 2, 3, and 9, line 17: "Direct defense expenditures."

Note.—Details may not add to totals because of rounding.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 5.—Major U.S. Government Transactions

(Millions of dollars)

Line		1970	1971 *	1970				1971			
				I	II	III	IV	I	II	III	IV *
A. 1	U.S. Government grants (excluding military) and capital flows increasing Government assets, total (table 2, lines 28, 29, and 30, with sign reversed)	5,060	5,450	1,383	1,499	1,067	1,209	1,828	1,728	1,218	1,859
1a	Seasonally adjusted			1,371	1,507	1,270	1,203	1,818	1,728	1,209	1,851
	By category										
2	Grants, net	1,780	2,014	447	489	402	480	487	530	501	537
3	Credits repayable in foreign currencies	200	180	113	84	20	34	55	23	17	22
4	Other foreign currency assets (excluding administrative cash holdings), net	-24	-177	-32	40	-31	(*)	-88	-44	6	-52
	Receipts from:										
5	Sales of agricultural commodities	258	165	101	66	30	63	38	63	26	30
6	Interest	185	182	45	54	47	56	37	56	40	46
7	Repayments of principal	302	161	48	58	38	36	37	45	30	44
8	Reverso grants	1	1	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
9	Other sources	10	8	2	1	2	4	1	3	2	2
	Less disbursements for:										
10	Grants in the recipient's currency	150	247	40	31	47	53	44	152	19	23
11	Credits in the recipient's currency	159	127	08	22	14	16	83	15	13	16
12	Other grants and credits	8	7	(*)	1	4	3	2	2	1	2
13	Other U.S. Government expenditures	312	312	80	85	85	81	71	94	86	61
14	Capital subscriptions to international and regional organizations, excluding IMF	238	245	66	50	49	80	35	40	90	44
15	Credits repayable in U.S. dollars	2,780	3,631	690	837	673	681	1,063	1,218	806	753
16	Other assets (including changes in administrative cash holdings), net	116	-9	24	-7	53	46	8	-38	-10	34
	By program										
17	Under farm product disposal programs	1,196	1,107	328	345	209	280	211	430	234	232
18	Under Foreign Assistance Acts and related programs	2,078	2,550	510	563	510	506	708	708	608	610
19	Under Export-Import Bank Act	1,004	1,420	303	339	175	278	434	385	241	320
20	Capital subscriptions to international and regional organizations, excluding IMF	238	245	66	50	49	80	35	40	90	44
21	Other assistance programs	344	600	68	182	78	80	103	132	78	100
22	Other foreign currency assets acquired (lines A.6, A.7, and A.9)	285	250	50	104	82	80	75	107	77	92
23	Less foreign currencies used by U.S. Government other than for grants or credits (line A.13)	348	312	80	85	88	83	73	84	84	81
24	Advances under Exchange Stabilization Fund agreements, net										
25	Other (including changes in administrative cash holdings), net	119	-11	28	-10	62	51	8	-38	-11	32
	By disposition										
26	Estimated transactions involving no direct dollar outflow from the United States	4,348	5,004	1,123	1,220	920	1,070	1,388	1,571	965	1,063
27	Expenditures on U.S. merchandise	2,110	3,294	677	801	626	708	792	1,067	723	772
28	Expenditures on U.S. services ¹	843	878	224	221	188	300	300	248	176	210
29	Military sales contracts financed by U.S. Government credits ² (line B.14)	381	689	70	101	129	62	248	248	68	28
30	U.S. Government credits to repay prior U.S. Government credits ³	174	301	66	40	34	55	135	45	86	85
31	U.S. Government credits ⁴ to repay prior U.S. private credits	308	432	87	88	86	90	105	121	55	146
32	Increases in claims on U.S. Government associated with Government grants and capital flows increasing Government assets (including changes in retained accounts) (line B.17)	-30	2	-9	-16	-2	(*)	6	-5	1	(*)
33	Less foreign currencies used by U.S. Government other than for grants or credits (line A.13)	343	312	80	85	88	81	71	84	84	81
34	Less dollar recoveries on short-term claims financing military sales contracts and U.S. Government credits to repay private credits ⁵	74	133	12	27	25	0	36	62	25	20
35	Estimated dollar payments to foreign countries and international and regional organizations through U.S. Government grants and capital flows increasing Government assets	702	863	170	182	140	204	104	167	264	276
B. 1	Nonliquid liabilities reported by U.S. Government, including medium-term securities and long-term obligations payable prior to maturity only under special conditions, net increase (+/-)	108	-155	-238	488	31	-133	-71	-132	-287	208
1a	Seasonally adjusted			-240	571	70	-130	-83	-163	-143	148
2	To foreign official reserve agencies (table 2, line 54)	635	341	-248	743	-5	55	-2	-4	-4	300
2a	Seasonally adjusted			-208	734	-12	77	-8	-6	-9	268
3	U.S. Treasury securities issued in connection with Columbia River downstream rights	-30	-34				-30				-24
4	U.S. Treasury securities issued in connection with prepayments for military purchases in the United States (line B.18)	-111	-2	-14	-80	-3	-5			-1	-1
5	U.S. Treasury obligations to be liquidated against U.S. claims	32	-4		32				-4		
6	U.S. Treasury securities not included elsewhere ⁶	648	376	-242	800		90				375
7	Export-Import Bank obligations to be liquidated against U.S. claims	-4	-4	-2		-2		-3		-2	
8	Export-Import Bank securities not included elsewhere	(*)	(*)		(*)						
9	Other										
10	To other official and private foreigners (table 2, line 56)	-436	-534	-58	-265	36	-105	-63	-113	-208	-144
10a	Seasonally adjusted			-30	-224	82	-103	-68	-48	-174	-221
11	Associated with military sales contracts ⁷	-478	-641	-8	-223	-27	-212	-47	-225	-200	-144
11a	Seasonally adjusted			-8	-128	18	-212	-47	-101	-171	-87
12	U.S. Government receipts from foreign governments (including principal repayments on credits financing military sales contracts), net of refunds	883	1,080	207	213	178	207	208	274	214	888
13	Less U.S. Treasury securities issued in connection with prepayments for military purchases in the United States (line B.4)	-111	-2	-14	-80	-3	-5			-1	-1
14	Plus military sales contracts financed by U.S. Government credits ² (line A.29)	381	689	70	101	129	62	248	248	68	28
15	Less U.S. Government receipts from principal repayments ³	238	245	66	188	33	117	50	126	85	110
16	Less transfers of goods and services (including transfers financed by credits) (table 2, line 2)	1,480	1,042	280	498	303	434	475	622	428	417
17	Associated with U.S. Government grants and capital flows increasing Government assets (line A.32)	-38	2	-9	-18	-3	(*)	6	-5	1	(*)
17a	Seasonally adjusted			-9	-18	-3	(*)	6	-5	1	(*)
18	Non-interest-bearing securities issued to IDA, to IDB, or to U.N. for special programs	-28	2	-9	-18	-3	(*)	6	-5	1	(*)
19	Foreign funds retained in U.S. Government accounts for purchases in the United States	(*)	(*)		(*)						
20	Other	68	103	-18	-14	66	28	-4	111	-4	(*)
21	Seasonally adjusted			-18	-14	66	28	-4	111	-4	(*)
22	German Government 10-year loan to U.S. Government	75	100			75			100		
23	Associated with U.S. Government nonmilitary sales and miscellaneous operations	-10	-4	-15	-14	-9	29	-4	5	-5	-1
24	U.S. Treasury securities not included elsewhere ⁶	(*)	(*)		(*)						
25	Export-Import Bank securities not included elsewhere	(*)	(*)		(*)						

* Preliminary. * Revised. * Less than \$500,000 (\$).

1. The identification of transactions involving direct dollar outflow from the United States is made in reports by the operating agency. However, such data for third and fourth quarters 1970 and for all quarters 1971 are only extrapolated estimates by BEA, because of incomplete reports from one operating agency.

2. Line A.28 includes foreign currency collected as interest and line A.30 includes foreign currency collected as principal, as recorded in lines A.6 and A.7.

3. Lines A.29 and A.31 include some short-term U.S. Government claims, collections of which are recorded in line A.24. Collections of these short-term claims recorded in lines A.29 and B.14 are included in line B.15.

4. Consists of transfers of military goods and services financed by U.S. Government credits and of advance payments to the Defense Department (on military sales contracts) financed by credits extended to foreigners by U.S. Government agencies.

5. Includes securities payable in U.S. dollars and in convertible foreign currencies.

6. Transactions under military sales contract are those in which the Defense Department sells and transfers military goods and services to a foreign purchaser, on a cash or credit basis. The entries for the several categories of transactions related to military sales contracts in this and the other tables are partially estimated from incomplete data.

7. Consists of transfers of military goods and services financed by U.S. Government credits (included in line B.16) and of increases in Defense Department liabilities (on military sales contracts) which arise from advance payments to the Defense Department financed by credits to foreigners by U.S. Government agencies.

8. Excludes liabilities associated with military sales contracts financed by U.S. Government credits and included in line B.11.

Note.—Details may not add to totals because of rounding.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 6.—Direct Investments and Securities Transactions

(Millions of Dollars)

Line	(Credits+; debits-)	1970	1971 *	1970				1971			
				I	II	III	IV	I	II	III	IV
1	U.S. direct investments abroad (table 2, line 39).....	-4,445	-4,826	-1,573	-1,663	-747	-464	-1,545	-1,768	-1,294	72
2	Transactions with foreign incorporated affiliates.....	-3,496	n.a.	-1,373	-985	-684	-480	-1,357	-1,119	-1,120	n.a.
3	Intercompany accounts: short-term.....	-396	n.a.	-751	-232	-222	-525	-595	-703	-450	n.a.
4	long-term.....	-512	n.a.	-62	-141	12	-128	-610	-117	-228	n.a.
5	Capital stock and other equity, net.....	-2,511	n.a.	-403	-501	-360	-803	-222	-301	-444	n.a.
6	Increase ¹	2,510	n.a.	-403	-501	-360	-803	-222	-301	-444	n.a.
7	Decrease ²	308	n.a.	16	28	63	102	93	40	31	n.a.
8	Miscellaneous ³	-184	n.a.	-70	-32	-26	-18	-20	2	-4	n.a.
9	Branch accounts.....	-940	n.a.	-105	-606	-113	24	-189	-630	-185	n.a.
10	By industry of foreign affiliate ⁴										
11	Mining and smelting.....	-388	n.a.	-67	-170	-41	-177	-88	-114	-81	n.a.
12	Petroleum.....	-1,534	n.a.	-403	-724	-253	-139	-509	-599	-481	n.a.
13	Manufacturing.....	-7,960	n.a.	-409	-409	-339	86	-584	-368	-344	n.a.
14	Other.....	-1,169	n.a.	-407	-397	-104	-851	-379	-388	-344	n.a.
15	Foreign direct investments in the United States (table 2, line 43).....	968	-192	488	165	238	160	82	-14	-288	139
16	Transactions with U.S. incorporated affiliates.....	938	-328	400	113	101	130	104	-15	-308	81
17	Intercompany accounts.....	104	-430	53	43	62	42	63	-13	-541	82
18	Capital stock and other equity, net.....	763	-211	437	70	139	67	41	-2	143	29
19	Increase ¹	750	-224	442	70	141	67	46	16	143	20
20	Decrease ²	-8	-28	-5	(*)	-3	(*)	-5	-18	(*)	
21	Branch accounts.....	35	86	-4	-8	23	21	-12	-1	10	29
22	Of which: manufacturing affiliates ⁴	511	149	189	101	138	18	40	80	118	-53
23	Foreign securities, net U.S. purchases (-) balance of payments basis table 2, line 40, or lines 27 + 28 below.....	-942	-918	-219	89	-468	-337	-353	-386	-248	79
24	stocks, net, Treasury basis ⁵	58	-45	87	8	5	-88	-88	-120	8	187
25	less: recorded in line as U.S. direct investment abroad.....	-97	-89	-6	-85	-33	-3	-17	-70	-5	-3
26	plus: exchange of stock associated with direct investment in United States.....	-173	-20	-20	-130	-63					
27	plus: other adjustments.....										
28	Stocks, net, balance of payments basis.....	-68	-14	72	35	-52	-53	-71	-120	7	188
29	Newly issued in the United States.....	-145	-14	-15	-130				-8	-3	-3
30	of which: Canada.....	-15	-11	-15					-8		-3
31	Other foreign stocks.....	77	87	87	35	38	-33	-71	-102	10	193
32	Canada.....	108	139	80	27	30	-5	20	47	10	28
33	Western Europe.....	-20	23	38	-7	5	-60	-44	-26	20	64
34	Japan.....	12	-110	7	17	-2	-10	-52	-133	-24	50
35	Other.....	-23	-37	-24	-2	5	-2	4	(*)	-14	-10
36	bonds, net, Treasury basis ⁶	-885	-891	-533	20	-355	-250	-297	-378	-235	-81
37	less: recorded in line as U.S. direct investment abroad.....	-59	-15	-57	-38	40	-4	-15			
38	plus: other adjustments.....										
39	Bonds, net, balance of payments basis.....	-944	-906	-583	60	-395	-254	-312	-378	-235	-81
40	Newly issued in the United States.....	-1,131	-1,002	-418	-59	-478	-318	-460	-538	-274	-222
41	Canada.....	-751	-751	-314	-58	-241	-148	-181	-262	-153	-145
42	Latin America.....	-117	-41	-5	(*)	-15	04	-5	-20	-16	(*)
43	Other countries.....	-102	-294	-47	-41	-28	-78	-63	-114	-41	-77
44	International.....	-241	-276	-49	(*)	-192		-215		-164	
45	Redemptions of U.S. held foreign bonds ⁷	484	480	127	125	191	81	123	127	116	115
46	Other transactions in outstanding bonds ⁸	8	110	10	87	-21	-18	50	31	3	20
47	Canada.....	-55	102	-16	(*)	-14	-31	15	20	23	31
48	Western Europe.....	48	-4	16	34	-0	4	20	-10	-28	17
49	Japan.....	10	-0	3	6	0	4	-1	-0	7	-6
50	Other.....	-8	24	1	-6	-7	5	16	26	1	-19
51	U.S. securities, excluding Treasury issues, net foreign purchases (+), balance of payments basis (table 2, line 40, or lines 51-53 below).....	2,190	2,251	394	334	720	782	559	196	683	614
52	stocks, net, Treasury basis ⁵	683	731	-97	-188	381	478	73	-0	391	433
53	less: exchange of stock associated with U.S. direct investment abroad.....	79	94	12	11	7	19	7	8		80
54	plus: other adjustments.....	-5	11	-1	-2	-4					511
55	Stocks, net, balance of payments basis.....	607	648	-86	-94	386	461	70	-3	331	523
56	Canada.....	-7	-73	-33	2	8	76	-15	-25	-3	-29
57	Western Europe.....	553	518	-21	-77	326	336	66	-15	174	504
58	Other.....	151	201	28	-19	62	60	40	47	60	54
59	bonds, net, Treasury basis ⁶	843	898	308	298	339	208	348	-1	164	117
60	plus: proceeds obtained by U.S. parents from securities issued by Netherlands Antilles finance authorities.....	488	757	77	188	311	39	148	200	187	408
61	plus: other adjustments.....	89	5	72	-5	19					
62	Bonds, net, balance of payments basis.....	1,413	1,415	386	486	334	340	480	199	351	385
63	New issues sold abroad by U.S. corporations ⁹	822	1,137	163	267	103	199	217	203	200	367
64	of which, denominated in: Dollars.....	611	917	127	238	138	118	200	200	181	208
65	German marks.....	34	55			37		55			
66	Nonaffiliated U.S. Government agency bonds, investments by International and regional organizations.....	324	30	64	84	80	66	128	-40	27	-67
67	Other transactions in U.S. bonds.....	247	220	132	167	54	82	36	-15	124	95

* Preliminary. Revised. * Less than \$500,000 (+). n.a. Not available.

1. Acquisition of capital stock of existing and newly established companies, capitalization of intercompany accounts, and other equity contributions.

2. Sales and liquidations of capital stock and other equity holdings, total, and partial.

3. Includes security issues placed with outside interests in the United States, the amortization of these security issues, and verified transactions of non-reporters not classified by type of transaction.

4. Mining and smelting includes the exploration and development of mining properties, the extraction of raw ores and the processing necessary for basic refined metals. Petroleum includes the exploration, development and production of crude oil and gas, and the transportation, refining and marketing of petroleum products exclusive of petrochemicals. Manufacturing includes petroleum refining and the smelting operations of mining companies. "Other"

includes all industries except those previously listed, the major ones being agriculture, public utilities, transportation, trade, insurance, finance and services.

5. As published in Treasury Bulletin.

6. Redemptions measure scheduled retirements and identifiable premature retirements of U.S. held foreign debt securities. Unidentifiable non-scheduled retirements appear in line 45.

7. Securities newly issued by finance subsidiaries incorporated in the Netherlands Antilles are included to the extent that the proceeds are transferred to U.S. parent companies.

8. Includes \$11 million of proceeds from a new issue of stock sold abroad by a U.S. corporation.

Note.—Details may not add to totals because of rounding.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 7.—Claims on Foreigners and Nonliquid Liabilities to Private Foreigners Reported by U.S. Banks and Nonbanking Concerns

(Billions of dollars)

Line	(Credits (+); increase in U.S. liabilities or decrease in U.S. assets. Debits (-); decrease in U.S. liabilities or increase in U.S. assets.)	1970	1971*	1970				1971				Amounts outstanding Dec. 31, 1971†
				I	II	III	IV	I*	II*	III*	IV*	
A. Claims reported by U.S. banks:												
1	Long-term (table 2, line 41).....	333	-441	24	49	22	88	25	-173	-277	-178	3,615
2	Short-term, nonliquid (table 2, line 42) 1.....	-1,635	-1,848	19	-491	274	-242	195	-379	-498	-1,984	10,915
3	Payable in dollars.....	-428	-1,840	4	-437	280	-750	36	-390	-432	-1,008	10,741
4	By type:											
5	Loans.....	280	-1,492	-12	-26	85	182	49	-402	-430	-828	2,998
6	Acceptance credits.....	-754	-275	158	-243	281	-918	-43	80	-63	-288	4,270
7	Collections outstanding.....	-289	-88	-142	-138	-37	-31	35	-44	7	-181	5,476
8	By area:											
9	Canada.....	-31	-181	28	-37	24	-64	-11	-36	29	-43	458
10	Western Europe 2.....	2	-607	-50	2	2	49	-281	-215	164	-204	1,322
11	Japan.....	-467	-274	142	-221	176	-287	404	-33	-161	-240	4,048
12	Other.....	-408	-848	-114	-161	75	-135	-68	-182	-279	-411	4,999
13	Payable in foreign currencies.....	-83	-6	0	-4	-5	-62	69	7	-5	-78	174
14	Of which Canada.....	-83	-6	1	1	-1	-78	61	16	-4	-80	101
15	Short-term, liquid (table 2, line 43) 1.....	-119	-528	240	-143	-8	-216	85	23	-260	-230	2,894
16	Payable in dollars.....	-78	-855	148	-87	2	-189	-2	31	-281	-183	1,450
17	Of which Canada.....	-28	-318	97	-87	9	-75	40	14	-131	-242	686
18	Payable in foreign currencies.....	-41	-225	92	-48	-8	-79	17	-8	-149	-125	716
19	By type:											
20	Deposits.....	-48	-198	52	-14	-41	-27	27	-4	-196	-170	581
21	Foreign government obligations and commercial and finance paper.....	-3	-27	40	-34	43	-52	-10	1	-3	-15	119
22	By area:											
23	Canada.....	-67	-47	60	-50	-15	-72	17	21	-28	-77	208
24	Other.....	44	-155	42	2	7	-7	(*)	-20	-81	-68	402
B. Claims reported by U.S. nonbanking concerns:												
1	Long-term (table 2, line 44).....	-877	-96	-361	-12	-229	-84	-32	-9	54	-149	3,261
2	Short-term, nonliquid (table 2, line 45).....	-388	-578	-84	-42	17	-281	-62	-137	-41	-284	3,588
3	Reported by brokerage concerns.....	-1	-24	56	26	-21	-75	-35	14	-21	8	372
4	Reported by others.....	-855	-543	-112	-30	86	-206	-27	-171	-49	-304	3,486
5	Payable in foreign currencies.....	73	n.a.	42	12	64	-65	-4	3	5	n.a.	n.a.
6	Payable in dollars.....	-431	n.a.	-164	-82	-28	-187	-28	-159	-45	n.a.	n.a.
7	By area:											
8	Canada.....	-38	n.a.	-42	14	11	-22	-12	6	27	n.a.	n.a.
9	United Kingdom.....	-64	n.a.	-20	-15	-48	11	-7	5	n.a.	n.a.	n.a.
10	European Economic Community.....	-39	n.a.	-22	-15	23	-34	-10	-14	14	n.a.	n.a.
11	Japan.....	-74	n.a.	-40	-11	-9	-14	-7	-28	-32	n.a.	n.a.
12	Other.....	-216	n.a.	-30	-65	-12	-106	(*)	-125	-59	n.a.	n.a.
13	Short-term, liquid (table 2, line 46).....	361	-589	-3	-39	61	492	-261	-17	-122	-18	1,688
14	Payable in dollars.....	388	-422	-51	-35	141	330	-130	38	-64	-58	1,244
15	By type:											
16	Deposits (of major U.S. corporations only).....	357	-348	-25	-47	168	280	-216	63	-43	-45	1,021
17	Other claims (of major U.S. corporations only).....	28	-79	-25	12	-9	50	-14	-22	-21	-15	218
18	By area:											
19	Canada.....	145	-111	203	-32	7	-33	52	-12	-101	-50	365
20	United Kingdom.....	287	-173	-307	80	92	342	-238	94	114	-44	630
21	Other.....	-47	-138	-47	-65	42	21	-48	-43	-77	96	319
22	Payable in foreign currencies.....	-24	-86	48	-64	-30	72	-21	-44	-60	40	444
23	By type:											
24	Deposits.....	11	-88	25	-16	-68	67	3	-78	-24	53	324
25	Other claims (of major U.S. corporations only).....	-35	2	23	-48	-14	5	-24	24	15	-12	124
26	By area:											
27	Canada.....	-30	-24	15	-29	-80	40	-8	21	-11	-36	183
28	Other.....	15	-62	32	-35	-14	32	-13	-67	-48	66	261
Memorandum:												
29	U.S. dollar deposits in Canadian banks:											
30	As reported by major U.S. corporations other than banks (included in line B, 14).....	188	-64	103	-30	81	-48	40	-78	-58	8	343
31	As reported in Canadian banking statistics.....	84	-120	37	38	-58	47	49	81	-175	-72	368
C. Nonliquid liabilities to private foreigners reported by U.S. banks:												
1	Long-term (table 2, line 52).....	36	-255	7	29	22	-82	-183	-61	-75	86	783
2	Of which International and regional organizations.....	-102	-340	2	-44	15	-75	-186	-79	-84	-28	445
D. Nonliquid liabilities to private foreigners reported by U.S. nonbanking concerns:												
1	Long-term (table 2, line 53).....	1,183	141	79	343	227	684	142	36	-121	164	3,708
2	Short-term (table 2, line 54).....	839	-185	92	168	208	382	-255	-78	189	41	2,769
3	Reported by brokerage concerns.....	-86	-37	-66	-81	-43	64	152	-81	-86	-22	311
4	Reported by Netherlands Antilles finance subsidiaries.....	448	-28	55	117	222	-186	68	19	19	19	315
5	Reported by others.....	479	-30	103	186	139	81	-220	-47	177	70	2,542
6	Payable in foreign currencies.....	-15	n.a.	44	86	9	-104	-35	-29	22	n.a.	n.a.
7	Payable in dollars.....	495	n.a.	50	114	127	186	-215	-19	153	n.a.	n.a.
8	By area:											
9	Canada.....	-1	n.a.	-20	2	5	2	-17	-10	-6	n.a.	n.a.
10	Western Europe 2.....	283	n.a.	74	42	22	122	-161	-72	43	n.a.	n.a.
11	Other.....	228	n.a.	-5	70	108	61	-37	64	113	n.a.	n.a.

* Preliminary. † Revised. ‡ Less than \$500,000 (±). N.A. Not available.

1. Position figures reflect changes in coverage and also a reclassification from nonliquid to liquid of the claims of U.S. banks on their foreign branches and of the claims of U.S. agencies and branches of foreign banks on their head offices.

2. Includes United Kingdom, European Economic Community, and other Western European countries.

Note.—Details may not add to totals because of rounding.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 3.—U.S. Liquid Liabilities to All Foreigners, Nonliquid Liabilities to Foreign Official Reserve Agencies, and U.S. Official Reserve Assets, Net

(Millions of dollars)

Line	(Credit (+): increase in U.S. liabilities or decrease in U.S. assets. Debit (-): decrease in U.S. liabilities or increase in U.S. assets.)	1970	1971 *	1970				1971				Amount outstanding Dec. 31, 1971 †
				I	II	III	IV	I	II	III	IV	
1	Liquid liabilities to all foreigners (table 2, lines 55, 57).....	1,377	29,042	1,472	466	536	-339	2,241	5,916	2,369	2,364	164,297
2	Liquid liabilities to private foreigners (table 2, line 56).....	-6,242	-6,785	-1,492	-131	-1,263	-2,266	-2,635	590	-2,190	-2,162	16,614
3	To foreign commercial banks.....	-6,507	-6,902	-1,683	-186	-1,497	-2,483	-2,887	79	-1,323	-2,168	10,960
3a	Seasonally adjusted.....			-1,693	-447	-1,246	-2,839	-3,087	-85	-1,113	-1,639	
4	To foreign branches of U.S. banks ¹	-6,313	-6,718	-1,597	-157	-1,440	-2,378	-2,905	10	-1,630	-1,443	1,270
5	To others.....	-184	-1,880	-786	-39	-747	-111	-688	39	-293	-715	9,674
6	Demand deposits.....	-4,288	-4,837	-2,042	116	-677	-1,779	-2,909	-636	-800	-438	2,408
7	Time deposits ²	-608	-480	-40	-100	44	-469	-478	-230	90	120	333
8	U.S. Treasury bills and certificates ³	-6	-6	1	5	-8	-9	-4	2,008	-780	-1,278	8
9	Other obligations ^{4,5}	-1,453	-1,978	306	-210	-808	-1,126	1,001	-808	-1,135	-678	1,222
10	To international and regional organizations.....	179	975	142	-124	82	79	296	106	166	41	1,523
11	Demand deposits.....	7	4	24	-9	-39	-4	4	-12	32	-10	79
12	Time deposits ²	73	27	48	-11	15	20	6	64	-21	-26	187
13	U.S. Treasury obligations:											
14	Bills and certificates.....	-39	-1	90	-787	-15	35	31	-78	-18	64	218
15	Bonds and notes.....	-25	120	(*)	2	-9	-21	116	2	12	1	166
16	Other obligations ^{4,5}	168	615	-16	25	98	61	122	221	161	21	897
17	To other private foreign residents and institutions.....	59	-478	-151	126	-180	183	72	-146	-366	-85	4,141
18	Demand deposits.....	24	-27	57	2	-116	81	23	24	-184	35	1,580
19	Time deposits ²	-84	-247	-788	76	-84	70	-25	-34	-124	-64	1,667
20	U.S. Treasury obligations:											
21	Bills and certificates.....	24	-24	-18	22	-7	17	4	-49	(*)	11	85
22	Bonds and notes.....	110	-118	-53	68	21	72	36	-25	-68	-68	447
23	Other obligations ^{4,5}	22	-62	49	18	-4	-42	22	-72	-3	1	271
24	Liquid liabilities to foreign official agencies (table 2, line 57).....	7,319	27,517	2,764	539	2,443	2,287	4,776	6,768	11,597	5,548	147,633
25	To central banks and governments.....	6,072	27,639	2,773	589	2,472	2,288	4,788	6,799	11,611	5,549	147,646
26	Demand deposits.....	-291	-35	-471	-27	-88	260	-79	-117	-13	170	1,327
27	Time deposits ²	-324	-60	451	43	-85	-878	-311	9	141	112	2,076
28	U.S. Treasury obligations:											
29	Bills and certificates.....	9,456	18,064	2,146	977	2,121	2,212	4,801	2,201	7,400	4,458	122,478
30	Payable in U.S. dollars.....	2,510	18,044	2,145	1,057	2,121	2,212	4,801	2,181	7,768	4,458	122,478
31	Payable in foreign currencies.....	-51	10	-51	-51	-51	-51	-51	-51	-51	-51	185
32	Bonds and notes, marketable.....	-31	1,660	-120	(*)	(*)	(*)	(*)	3,029	2,802	943	1,355
33	Bonds and notes, nonmarketable, convertible.....	-126	5,631	(*)	(*)	(*)	(*)	(*)	2,000	2,000	6	4,883
34	Payable in U.S. dollars.....	-126	5,631	(*)	(*)	(*)	(*)	(*)	2,000	2,000	6	4,883
35	Payable in foreign currencies.....	-126	5,631	(*)	(*)	(*)	(*)	(*)	2,000	2,000	6	4,883
36	Other obligations ^{4,5}	-644	1,477	787	-301	-581	-280	309	667	648	-128	4,121
37	To International Monetary Fund ⁶	-453	-22	-9		-422	-21	-7	-11	-4		644
38	Nonliquid liabilities to foreign official reserve agencies (table 2, lines 53 & 54).....	-273	-196	-413	808	-238	-133	-283	-184	-176	345	1,626
39	Reported by U.S. banks ¹ (table 2, line 53).....	-810	-539	-154	-286	-238	-186	-231	-180	-173	-5	156
40	Reported by U.S. Government (table 2, line 54).....	535	341	-269	743	-5	56	-2	-4	-9	380	1,470
41	Nonconvertible U.S. Treasury securities issued:											
42	To Italy in connection with military purchases in the U.S.....	-111	-2	-14	-89	-8	-5			-1	-1	22
43	To Canada:											
44	In connection with Columbia River power rights.....	-30	-24				-30				-24	2,440
45	Other.....	1,190	278	300	808		90				278	
46	To Germany.....	-543		-543								512
47	To other countries.....											167
48	Export-Import Bank obligations.....	-4	-4	-2	(*)	-2		-2		-2		10
49	U.S. Treasury obligations to Germany to be liquidated against U.S. claims.....	22	-4		22				-4			28
50	U.S. official reserve assets, net (table 2, line 56).....	2,477	2,346	-384	1,822	691	1,646	145	828	5,373	-8	12,167
51	Gold (table 2, line 56).....	787	896	-44	14	285	422	100	458	300	1	10,205
52	SDR (table 2, line 56).....	-531	-245	-929	-37	-34	149	-902	194	150	-3	1,104
53	Convertible currencies (table 2, line 56).....	2,162	281	831	818	34	469	878	-66	72	2	1,276
54	Gold tranche position in IMF (table 2, line 56).....	380	1,358	-253	227	486	0	265	252	351	-8	585

* Preliminary. † Revised. * Less than \$500,000 (±).

1. Through April 1970 data for foreign branches of U.S. banks are estimates which were derived from weekly and daily figures compiled by the Federal Reserve System. Beginning in May 1970 these data are reported monthly by U.S. banks and include custody items held by reporting banks on behalf of their own foreign branches. Included in the custody items during 1971 are special Export-Import Bank and Treasury securities held for foreign branches. As of October 31, 1971, these special securities had been liquidated.

2. With maturity of 1 year or less; negotiable certificates of deposit with a maturity of 1 year or less are included with "other obligations."

3. Includes nonguaranteed U.S. Government agency securities with a maturity of 1 year or less.

4. Includes liabilities of U.S. monetary authorities for gold deposited by and held for the IMF and includes U.S. Treasury obligations obtained from proceeds of gold sales by the IMF to the United States to acquire income-earning assets. Upon termination of investment,

the same quantity of gold can be reemployed by the IMF.

5. Includes, in addition to foreign official reserve agencies, other foreign official agencies.

6. Position figures reflect changes in coverage, a reclassification from foreign official to private holder of certain liquid liabilities, and a reclassification by type of the liabilities of U.S. banks to their foreign branches and of the liabilities of U.S. agencies and branches of foreign banks to their head offices and changes resulting from revaluations.

7. Data reflect increases of \$7 million in U.S. Treasury bills and certificates (line 28), \$33 million in U.S. Treasury bonds and notes (line 29), \$78 million in nonmarketable, nonliquid U.S. Treasury obligations (line 42), and \$28 million in convertible currencies (line 43) resulting from the revaluations under the Smithsonian Agreement of December 18, 1971.

Note.—Totals may not add to totals because of rounding.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 9.—U.S. International

(Millions)

Line	(Credits +; debits -)	United Kingdom						European Economic Community					
		1970	1971 *	1971				1970	1971 *	1971			
				I *	II *	III *	IV *			I *	II *	III *	IV *
1	Exports of goods and services ¹	4,283	4,661	1,033	598	933	1,863	11,125	11,479	2,879	2,874	2,888	2,739
2	Merchandise, adjusted, excluding military ²	2,618	2,348	691	502	651	540	8,269	8,009	2,061	2,110	2,104	1,784
3	Transfers under U.S. military agency sales contracts.....	177	100	0	48	41	7	270	688	177	178	172	181
4	Travel.....	51	67	13	14	22	12	100	199	32	52	65	50
5	Passenger fares.....	70	67	13	17	22	15	96	90	10	25	34	22
6	Other transportation.....	206	210	68	87	89	64	484	506	114	130	144	103
7	Fees and royalties from unaffiliated foreigners.....	67	67	17	17	17	17	168	202	51	51	51	51
8	Other private services.....	82	106	29	28	28	25	118	139	36	36	36	36
9	U.S. Government miscellaneous services.....	18	19	4	4	7	5	27	40	9	14	7	9
10	Receipts of income on U.S. investments abroad:												
11	Direct investment fees and royalties.....	248	304	66	66	68	76	352	458	104	120	106	120
12	Direct investment interest, dividends and branch earnings ³	375	421	88	83	98	154	774	870	228	220	111	234
13	Other private assets.....	200	184	41	40	45	40	160	157	39	39	38	41
14	U.S. Government assets.....	167	116	8	17	3	87	90	54	14	12	19	9
15	Transfers of goods and services under U.S. military grant programs, net ⁴							(*)					
16	Imports of goods and services.....	-4,735	-4,716	-1,029	-1,381	-1,245	-1,062	-10,697	-12,123	-2,766	-2,184	-2,437	-2,738
17	Merchandise, adjusted, excluding military ²	-2,210	-2,470	-657	-692	-699	-632	-6,061	-7,540	-1,834	-1,697	-2,122	-1,590
18	Direct defense expenditures.....	-228	-258	-63	-59	-59	-66	-1,266	-1,487	-398	-371	-372	-410
19	Travel.....	-293	-322	-30	-118	-131	-63	-642	-651	-41	-175	-242	-83
20	Passenger fares.....	-282	-283	-13	-101	-87	-53	-386	-368	-63	-134	-137	-62
21	Other transportation.....	-272	-304	-68	-78	-88	-75	-440	-525	-114	-120	-141	-145
22	Fees and royalties to unaffiliated foreigners.....	-36	-38	-10	-10	-10	-10	-54	-58	-15	-15	-15	-15
23	Private payments for other services.....	-216	-230	-38	-38	-38	-38	-83	-87	-14	-14	-14	-14
24	U.S. Government payments for miscellaneous services.....	-14	-14	-3	-3	-3	-4	-71	-75	-17	-19	-20	-18
25	Payments of income on foreign investments in the United States:												
26	Direct investment fees and royalties.....	-10	-13	-6	-3	-3	-2	-2	-3	-1	-1	-1	-1
27	Direct investment interest, dividends and branch earnings ³	-164	-172	-60	-58	-59	-42	-132	-134	-32	-25	-43	-22
28	Other private liabilities.....	-327	-401	-128	-89	-81	-96	-585	-650	-125	-128	-180	-127
29	U.S. Government liabilities.....	-37	-213	-22	-38	-71	-70	-303	-747	-160	-178	-185	-234
30	U.S. military grants of goods and services, net ⁴							(*)					
31	Unilateral transfers (excluding military grants), net.....	-49	-54	-11	-14	-12	-18	-21	16	8	1	-4	5
32	U.S. Government grants (excluding military).....	-23	-25	-6	-7	-7	-7	-107	-128	-27	-33	-32	-31
33	U.S. Government pensions and other transfers.....	-28	-28	-6	-7	-4	-11	87	125	36	32	29	37
34	Private remittances and other transfers.....	131	166	-43	80	1	128	204	53	-16	59	14	-18
35	Long and other long-term assets.....	-23	-25	-6	-7	-7	-7	-57	-121	-27	-31	-27	-30
36	Foreign currencies and other short-term assets, net.....	-11	28	-6	32	4	-3	15	-28	-4	-0	-15	2
37	Repayments on credits:												
38	Scheduled.....	103	204	3	69	3	129	118	128	22	35	52	17
39	Nonscheduled ⁵							90	73		72		
40	U.S. private capital flows, net.....	-488	-1,361	-736	-183	17	-378	-1,235	-1,484	-614	-648	-443	44
41	Direct investments abroad ⁶	-643	-640	-257	-92	-116	-170	-971	-1,302	-570	-444	-390	202
42	Foreign securities.....	-176	-58	-38	-61	-11	23	48	66	-6	0	31	35
43	Claims reported by U.S. banks:												
44	Long-term.....	-4	-57	-20	-1	-14	-2	-62	-128	-23	-41	-47	-27
45	Short-term, nonliquid.....	13	-128	-72	-75	84	-64	10	-241	-38	-82	13	-135
46	Short-term, liquid.....	10	-68	-10	-14	11	-45	20	-73	20	-12	-63	-17
47	Claims reported by U.S. nonbanking concerns:												
48	Long-term.....	4	18	-8	3	16	8	-205	17	16	7	4	-10
49	Short-term, nonliquid.....	-39	-63	20	-15	12	-80	-34	-70	-17	-16	-0	-37
50	Short-term, liquid.....	308	-187	-333	73	114	-41	12	-0	3	-63	16	38
51	Foreign capital flows, net.....	-3,646	2,139	-785	1,398	311	1,258	5,476	5,184	2,788	663	1,431	892
52	Direct investments in the United States ⁷	612	151	-23	-19	173	40	169	49	70	-27	80	-72
53	U.S. securities other than Treasury issues.....	263	638	68	40	174	284	887	801	191	118	170	411
54	U.S. nonliquid liabilities to private foreigners reported by U.S. nonbanking concerns:												
55	Long-term.....	773	-172	-40	40	-116	-48	133	123	01	-56	-23	114
56	Short-term.....	467	-65	-59	-14	-50	66	297	-121	-92	-42	100	14
57	Long-term liabilities to all foreigners reported by U.S. banks.....	-0	3	0	-32	(*)	28	127	82	-7	21	1	6
58	Nonliquid liabilities reported by U.S. Government:												
59	To foreign official reserve agencies.....	-112	-98	10	-30	-27	6	-91	-0	-4	-1	-1	-1
60	To other official and private foreigners.....	-112	-98	10	-30	-27	6	-91	-96	-147	-13	-147	-48
61	U.S. liquid liabilities to all foreigners.....	-5,790	1,721	-602	1,327	163	923	7,703	5,121	2,764	626	1,246	468
62	Transactions in U.S. official reserve assets, net.....	1,847	303	308			-3	835	684	25	231	251	-3
63	Gold.....							170	608	25	282	101	
64	SDR.....												
65	Convertible currencies.....	1,847	303	308			-3	880	-4	(*)	-61	60	-3
66	Gold transfer position in IMF.....												
67	Allocations of special drawing rights (SDR).....												
68	Errors and omissions, and transfers of funds between foreign areas, net.....	2,841	-799	1,239	-104	-54	-368	-8,538	-4,120	-2,284	-206	-703	-824

See footnotes at end of table.

Transactions, by Area

(of dollars)

Other Western Europe						Eastern Europe						Canada						Line
1970	1971 *	1971				1970	1971 *	1971				1970	1971 *	1971				
		I	II	III	IV			I	II	III	IV			I	II	III	IV	
4,979	4,935	1,283	1,389	1,163	1,092	419	461	139	184	184	123	12,491	14,141	3,283	3,725	3,423	3,710	1
3,287	3,151	806	843	703	650	388	408	116	92	88	112	8,044	10,472	2,480	2,645	2,444	2,794	2
182	147	27	47	21	32							35	70	18	16	14	38	3
101	101	17	30	27	27							883	925	216	238	317	154	4
40	81	10	14	10	12							8	9	2	2	3	2	5
506	600	130	167	100	128	13	13	3	4	4	2	101	223	48	56	61	58	6
35	26	9	9	9	0	3	3	1	1	1	1	30	30	8	8	8	8	7
70	75	19	19	19	10	18	18	6	6	6	5	124	144	30	30	30	38	8
91	88	26	19	27	14	3	3	1	1	1	1	7	7	1	2	2	3	9
140	141	29	38	20	46							367	302	68	66	100	108	10
229	210	126	60	30	98							672	1,802	186	212	224	871	11
131	127	31	33	31	22	7	5	1	1	1	1	838	871	214	216	213	220	12
99	89	24	23	10	21	8	10	2	1	3	1	1	-3	(*)	1	(*)	-0	13
231	272	93	68	38	65													14
-4,872	-5,243	-1,138	-1,421	-1,617	-1,146	-289	-274	-64	-78	-62	-56	-12,999	-14,606	-3,263	-3,812	-3,636	-3,711	15
-2,408	-2,730	-647	-721	-740	-616	-218	-220	-57	-65	-61	-43	-10,720	-12,362	-2,800	-3,280	-2,950	-3,247	16
-261	-286	-75	-64	-61	-66	-1	-4	-1	-1	-1	-1	-253	-163	-62	-40	-30	-63	17
-175	-530	-56	-170	-239	-54	-24	-27	-2	-8	-15	-2	-1,040	-1,117	-109	-233	-83	-180	18
-267	-370	-28	-116	-78	-44													19
-512	-585	-124	-151	-143	-137	-6	-7	-2	-2	-2	-2	-201	-229	-46	-45	-67	-82	20
-13	-14	-4	-4	-4	-4	(*)	(*)	(*)	(*)	(*)	(*)	-4	-4	-1	-1	-1	-1	21
-28	-35	-9	-0	-0	-3							-110	-123	-31	-31	-31	-31	22
-67	-69	-11	-18	-16	-16	-8	-6	-2	-3	-3	-2	-14	-10	-3	-2	-3	-3	23
-21	-12	-2	-2	-4	-4	(*)						-62	-60	-18	-15	-16	-14	24
-57	-81	-15	-20	-26	-17							-38	-51	-21	-10	-6	-10	25
-647	-122	-128	-116	-120	-137	-1	-1	(*)	(*)	(*)	(*)	-378	-288	-73	-61	-82	-83	26
-117	-171	-28	-31	-48	-64	(*)	(*)	(*)	(*)	(*)	(*)	-174	-207	-50	-40	-51	-68	27
-231	-272	-98	-60	-58	-80													28
-247	-284	-68	-73	-80	-71	-30	-26	-6	-9	-5	-6	-88	-122	-18	-28	-41	-26	29
-29	-80	-5	-8	-11	-5	-0	-4	-1	-1									30
-91	-107	-24	-20	-27	-27	-8	-10	-2	-2	-2	-3	-63	-63	-14	-16	-16	-16	31
-128	-147	-30	-30	-42	-38	-13	-10	-3	-3	-2	-2	-38	-60	-6	-11	-25	-18	32
-94	-97	-16	-47	-24	-19	4	5	(*)	-6	12	-2	-7	-25	-14	-2	-2	-10	33
-202	-319	-70	-98	-68	-83	-68	-92	-10	-21	-11	-12	-10	-26	-0	-7	-2	-10	34
-7	21	8	3	6	6	20	24	7	8	7	1	(*)	3	-1	3	1	-1	35
173	201	47	47	30	68	34	44	12	7	17	8	(*)	1		(*)		1	36
3												2						37
-237	-261	-389	-173	-78	248	-14	-12	7	3	-3	-19	-1,672	-991	-30	-80	-242	-624	38
-201	-168	-251	-92	-60	270							-918	-143	-67	7	13	-67	39
59	70	39	17	-11	25							-476	-292	-77	-143	-44	-26	40
51	-27	9	-53	4	3	1	-4	2	-1	-0	4	98	83	44	2	2	45	41
-35	-144	-142	-39	71	-74	-12	-12	(*)	3	0	-21	-134	-109	10	-20	34	-133	42
-7	-12	-18	16	-16	(*)	(*)	-4	-2	1	-1	-2	-128	-380	57	38	-160	-310	43
-3	-21	8	-11	13	-26	-1	8					-106	-0		-4	-10	8	44
-15	-78	-31	-3	-0	-36	-1		7		1		-19	-12	-11	18	30	-50	45
-6	-20	-3	2	-43	18							100	-130	44	8	-112	-70	46
-527	4,213	188	1,046	3,641	391	12	-5	-4	9	-5	-5	1,413	-386	-518	-131	170	270	47
79	-81	42	68	-05	-50							233	85	20	44	18	-31	48
414	637	118	60	138	311							123	-45	10	-29	4	-58	49
113	168	46	32	32	19							0	2		-2	-7	11	50
-49	-43	-9	-25	16	-24	(*)	(*)	(*)	(*)	(*)	(*)	-20	-24	1	-32	-19	28	51
1	17	9	-2	(*)	16	(*)	(*)	(*)	(*)	(*)	(*)	2	1	(*)	1	-1	1	52-53
-4	-6	-2		-2								1,100	351				351	54
-1	-18	(*)	-9	10	-21	(*)	-2	(*)	-2	(*)	-1	-11	-33	-5	-5	-4	-15	55
-1,071	3,603	-23	877	2,500	163	8	-3	(*)	11	(*)	-1	-78	-613	-683	-109	181	-27	56-57
-25	269	127	60	84	9							(*)	(*)		(*)	(*)		58
26	187	80	55	72														59
-51	82	67	-5	12	8							(*)	(*)		(*)	(*)		60
																		61
																		62
																		63
1,423	-3,381	-57	-610	-2,188	-492	-131	-140	-62	-21	-22	-42	763	1,908	647	344	521	390	64

Table 9.—U.S. International

(Billions)

Line	(Credits +; Debits -)	Latin American Republics and other Western Hemisphere						Japan					
		1970	1971*	1971				1970	1971*	1971			
				I*	II*	III*	IV*			I*	II*	III*	IV*
1	Exports of goods and services ¹	10,395	10,347	2,554	2,682	2,728	2,439	5,314	5,623	1,487	1,363	1,311	1,408
2	Merchandise, adjusted, excluding military ²	6,494	6,439	1,595	1,644	1,794	1,406	4,648	4,867	1,093	1,003	981	1,040
3	Transfers under U.S. military agency sales contracts	41	34	8	8	9	8	25	43	7	8	14	17
4	Travel	810	890	197	235	287	231	161	184	27	26	35	37
5	Passenger fares	180	168	38	41	45	39	70	94	31	24	27	22
6	Other transportation	360	363	84	94	97	82	303	309	71	53	52	55
7	Fees and royalties from unaffiliated foreigners	19	21	12	13	15	13	201	263	63	63	53	63
8	Other private services	232	204	64	65	66	65	36	39	10	10	10	10
9	U.S. Government miscellaneous services	57	47	17	18	14	17	23	30	11	7	14	4
10	Receipts of income on U.S. investments abroad:												
11	Direct investment fees and royalties	231	225	74	91	70	91	97	98	18	32	25	22
12	Direct investment interest, dividends and branch earnings ³	1,081	1,094	280	302	283	310	34	183	57	38	39	44
13	Other private assets	623	615	130	131	118	134	287	287	71	91	53	72
14	U.S. Government assets	104	164	31	48	29	45	29	33	9	8	7	8
15	Transfers of goods and services under U.S. military grant programs, net ⁴	28	22	7	7	4	1	(*)					
16	Imports of goods and services	-3,467	-3,514	-2,147	-2,182	-2,254	-1,931	-7,415	-8,419	-1,867	-2,240	-2,163	-2,345
17	Merchandise, adjusted, excluding military ²	-5,013	-5,110	-1,524	-1,619	-1,629	-1,353	-6,584	-7,281	-1,509	-1,878	-1,875	-2,120
18	Direct defense expenditures	-109	-155	-41	-30	-35	-37	-670	-410	-158	-150	-148	-186
19	Travel	-1,200	-1,320	-340	-283	-320	-300	-87	-68	-16	-24	-30	-38
20	Passenger fares	-78	-71	-19	-18	-15	-16	-70	-68	-12	-12	-15	-17
21	Other transportation	-236	-269	-80	-64	-74	-68	-271	-293	-74	-77	-71	-71
22	Fees and royalties to unaffiliated foreigners	-4	-3	-1	-1	-1	-3	-4	-4	-1	-1	-1	-1
23	Private payments for other services	-184	-184	-44	-45	-50	-43	-18	-23	-6	-6	-5	-6
24	U.S. Government payments for miscellaneous services	-189	-176	-41	-40	-49	-19	-21	-13	-5	-4	-4	-3
25	Payments of income on foreign investments in the United States:												
26	Direct investment fees and royalties	-22	-21	-5	-5	-5	-6	-1	-1	-1	(*)	(*)	-4
27	Direct investment interest, dividends and branch earnings ³	-448	-242	-67	-62	-68	-63	-261	-184	-51	-12	-12	-12
28	Other private liabilities	-14	-27	-5	-8	-11	-2	-37	-206	-25	-47	-59	-163
29	U.S. Government liabilities												
30	U.S. military grants of goods and services, net ⁴	-28	-21	-7	-7	-4	-1	(*)					
31	Unilateral transfers (excluding military grants), net	-322	-519	-122	-128	-127	-120	-43	-44	-9	-9	-12	-12
32	U.S. Government grants (excluding military)	-292	-292	-68	-71	-68	-68						
33	U.S. Government pensions and other transfers	-43	-61	-13	-14	-13	-14	-10	-10	-2	-3	-2	-3
34	Private remittances and other transfers	-217	-208	-52	-44	-46	-47	-33	-32	-7	-7	-10	-9
35	U.S. Government capital flows, net	-607	-343	-74	-100	-77	-101	62	73	-31	-2	84	22
36	Loans and other long-term assets	-644	-692	-154	-181	-184	-194	-151	-217	-51	-56	-29	-48
37	Foreign currencies and other short-term assets, net	-8	-8	-7	-7	-7	-1	9	6	3	(*)	4	-2
38	Repayments on credits:												
39	Scheduled	243	245	76	98	77	94	92	126	47	37	27	26
40	Nonscheduled ⁵	(*)	4	4				121	109	30	30	32	48
41	U.S. private capital flows, net	-1,427	-1,391	-17	-330	-325	-455	-450	-338	267	-280	-768	-136
42	Direct investments abroad ⁴	-501	-690	-66	-345	-197	-79	-182	-177	-41	-31	-172	67
43	Foreign securities	-156	-41	16	2	-16	-45	31	-126	-53	-129	-29	56
44	Claims reported by U.S. banks:												
45	Long-term	12	-113	48	42	-117	-67	-26	-122	-10	-100	-1	-21
46	Short-term, nonliquid	-377	-224	35	27	-108	-185	-466	-282	489	-46	-184	-339
47	Short-term, liquid	-31	-61	-39	-23	-32	33	8	-17	6	26	-139	91
48	Claims reported by U.S. nonbanking concerns:												
49	Long-term	-177	-39	2	-16	38	-56	2	-1	-21	23	5	-5
50	Short-term, nonliquid	-188	-244	-15	-98	-110	-39	-73	-80	-10	-21	-31	-19
51	Short-term, liquid							5	-19	-14	-5	-8	9
52	Foreign capital flows, net	-629	-234	-319	-382	-406	-289	1,191	14,073	1,846	1,243	1,458	1,791
53	Direct investments in the United States ⁴	39	27	19	-5	9	17	3	-438	-31	-58	-509	222
54	U.S. securities other than Treasury issues	66	58	22	12	31	-8	12	54	2	19	21	19
55	U.S. nonliquid liabilities to private foreigners reported by U.S. nonbanking concerns:												
56	Long-term	84	62	47	14	-48	37	38	9	1		1	7
57	Short-term	106	73	-18	-19	80	30	1	28	22	-4	15	-4
58	Long-term liabilities to all foreigners reported by U.S. banks	-114	-267	-90	-42	-64	-27	-369	-383	-124	-122	-117	-10
59	Nonliquid liabilities reported by U.S. Government:												
60	To foreign official reserve agencies	-32	-12	4	-9	-3	-8	-2	-5	-1	(*)	-5	4
61	To other official and private foreigners	-679	-74	-300	-431	-446	-244	1,338	16,807	1,175	2,434	6,733	1,484
62	U.S. liquid liabilities to all foreigners												
63	Transactions in U.S. official reserve assets, net	131	4	(*)	4	(*)		119					
64	Gold	131	4	(*)	4	(*)		119					
65	SDR												
66	Convertible currencies												
67	Gold tranche position in IMF												
68	Allocations of special drawing rights (SDR)												
69	Errors and omissions, and transfers of funds between foreign areas, net	987	538	127	-257	738	-122	313	-5,784	-742	-1,644	-3,699	-326

* Preliminary. * Revised. * Less than \$500,000 (4.).
1. Credits, +; Exports of goods and services; unilateral transfers to U.S.; capital inflows (increase in U.S. liabilities or decrease in U.S. assets); decrease in U.S. official reserve assets.

Debits, -: Imports of goods and services; unilateral transfers to foreigners; capital outflows (decrease in U.S. liabilities or increase in U.S. assets); increase in U.S. official reserve assets.

2. Excludes transfers of goods and services under U.S. military grant programs.

3. Excludes exports of goods under U.S. military agency sales contracts identified in Census

Transactions, by Area—Continued
of dollars]

Australia, New Zealand, and South Africa						Other Countries in Asia and Africa						International Organizations and Unaffiliated						Line
1970	1971 *	1971				1970	1971 *	1971				1970	1971 *	1971				
		I	II *	III *	IV *			I *	II *	III *	IV *			I *	II	III *	IV *	
2,475	2,636	535	536	641	675	10,136	11,483	2,782	3,189	2,074	2,657	581	569	160	200	160	361	
1,581	1,661	423	379	478	491	5,671	6,124	1,570	1,557	1,579	1,268							
148	78	9	28	14	13	612	775	220	281	144	131							
41	41	7	11	14	9	95	95	17	28	29	25							
48	47	10	34	15	9	66	55	11	18	27	13							
81	62	15	15	17	13	572	560	137	145	163	125	221	(*)	60	(*)	60	45	
24	26	7	7	7	7	24	28	7	7	7	7							
30	30	10	10	10	10	179	199	50	50	50	50	563	190	47	47	47	47	
1	1	(*)	(*)	(*)	(*)	151	149	37	41	32	39							
145	163	41	41	23	49	165	188	37	54	51	47	23	13	5	7	2		
202	209	41	54	49	125	2,034	2,080	587	694	681	728	174	428	14	145	17	282	
63	57	13	15	13	17	380	287	68	65	65	65	58	108	23	13	44	12	
25	27	1	12	1	12	218	385	85	97	78	128	15	13	1	6		3	
						358	494	190	185	144	67							
-1,347	-1,391	-228	-244	-489	-231	-7,794	-8,574	-1,841	-2,189	-2,348	-2,189	-915	-833	-191	-193	-271	-225	
-1,125	-1,139	-221	-302	-247	-268	-4,724	-5,778	-1,178	-1,485	-1,686	-1,837							
-48	-39	-9	-10	-11	-5	-1,536	-1,778	-430	-499	-480	-429							
-45	-44	-15	-11	-14	-10	-235	-249	-80	-88	-100	-54							
-35	-38	-12	-15	-18	-13	-67	-65	-8	-12	-13	-11							
(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)							
-6	-8	-2	-2	-2	-2	-34	-28	-7	-7	-7	-7							
-21	-28	-5	-7	-8	-7	-247	-261	-64	-68	-64	-63	-110	-110	-5	-2	-67	-41	
						-2	-2	(*)	-1	-1	-1							
-1	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)							
-25	-23	-6	-4	-7	-6	-237	-108	-31	-21	-24	-25	-76	-85	-13	-13	-15	-17	
-18	-17	-2	-3	-4	-6	-70	-43	-11	-11	-11	-10	-121	-114	-25	-25	-50	-34	
						-358	-435	-119	-114	-144	-47							
-23	-24	-4	-5	-4	-4	-1,971	-2,346	-494	-892	-832	-692	-155	-174	-61	-54	-54	-39	
-4	-6	-1	-1	-1	-1	-1,283	-1,542	-332	-417	-389	-424	-156	-174	-61	-50	-54	-39	
-19	-18	-5	-4	-4	-5	-125	-142	-34	-37	-37	-35							
						-563	-554	-128	-138	-148	-143							
-86	-21	-85	13	-23	24	-1,340	-1,890	-431	-645	-345	-259	-53	-14	-11	-9	-47		
-143	-120	-27	-29	-27	-27	-1,640	-2,340	-725	-898	-549	-491	-58	-71	-13	-9	-40		
1	-3	-1	-2	-1	2	-48	143	75	53	-2	14							
84	100	3	44	5	49	434	624	217	188	116	198	5	5	3		3		
						10	-11			-11								
-272	-571	-111	-194	-152	-113	-574	-1,875	-317	-535	-232	-621	-236	-739	-259	-182	-378	144	
-270	-288	-72	-147	-39	-28	-397	-787	-134	-305	-79	-240	-228	-492	-50	-321	-224	123	
12	30	2	16	3	6	-187	-284	-47	-108	-37	-62	-158	-275	-191	18	-142	30	
63	-111	-4	-25	-29	-53	65	-43	-1	6	-6	-38							
-27	-168	-16	-33	-64	-33	4	-441	-78	-95	-154	-184	(*)	(*)	(*)	(*)	-3	2	
-5	-10	-3	-2	-2	-2	-7	30	(*)	-4	31	3							
-18	-22	-6	-5		-8	-14	-48	-15	-7	-9	-17							
-19	-12	-11	0	-4	3	-63	-134	-42	-73	-46	5	-1						
118	449	69	289	52	48	-414	-577	-259	-75	-245	7	-90	416	264	41	195	1	
1	(*)	(*)		(*)		3	6	3	1	2	-1							
-14	-24	-13	-6	(*)	-6	102	63	7	-4	16	84	245	92	145	-23	28	-52	
18	24	8	10	-3	7	10	-4	-2	-2		(*)							
32	-18	(*)	15	-15	-23	71	62	6	63	30	-26							
-4	-55	(*)	-12	-30	-1	-168	-46	-30	6	3	-16	-54	-134	-111	-64	-13	39	
-38	-11	19	-23	-5	-1	-230	-55	52	-20	-26	-81							
133	528	40	587	110	59	58	-592	-284	-172	-272	75	-370	457	382	118	57	29	
11						165	45	17	-4	33	1	-308	1,123	-330	459	1,095	-11	
11						165	45	17	-9	33	1	145	22	7	11	4		
												-851	-290	-562	195	160	-3	
												359	1,850	245	252	551	-8	
												567	717	717				
-989	-942	-225	-428	-131	-294	1,451	3,124	539	594	735	543	358	-1,334	-344	-245	-534	-345	

Report documents, and imports of goods included under direct defense expenditures identified in Census import documents, and reflects various other balance-of-payments adjustments (for valuation, coverage, and timing) to Census statistics; see table 1.
4. Excludes reinvested earnings of foreign incorporated affiliates of U.S. firms or of U.S. incorporated affiliates of foreign firms.
5. Includes sales of foreign obligations to foreigners.

6. Includes transactions with shipping companies operating under the flags of Honduras, Liberia, and Panama.
7. These data are incomplete. See note on p. 42.

NOTE.—Details may not add to total because of rounding.
Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 10.—Summary of Known Current and Long-term Capital Transactions, by Area¹

(Millions of dollars)

Line	Receipts by foreign areas (—)	1970	1971*	1970				1971			
				I	II	III	IV	I*	II*	III*	IV*
1	All areas, balances on:										
2	Merchandise trade ²	2,110	-2,979	860	1,003	160	285	435	-843	-1,117	-1,244
3	Goods and services	3,802	689	1,234	1,390	-201	1,340	1,513	228	-1,201	209
4	Goods, services and remittances	2,182	-700	915	923	-667	1,002	1,180	-140	-1,088	-124
5	Current account	444	-2,774	466	457	-1,050	552	732	-070	-2,154	-661
6	Current account and long-term capital ³	-3,038	-9,284	-1,310	-899	-1,538	700	-1,262	-3,613	-4,105	64
7	United Kingdom, balances on:										
8	Merchandise trade ²	302	-122	43	128	71	00	134	-120	-144	8
9	Goods and services	-427	-685	-184	-124	-220	105	4	-283	-847	-9
10	Goods, services and remittances	-476	-689	-105	-138	-283	91	-7	-207	-386	-27
11	Current account	-476	-689	-105	-138	-283	91	-7	-207	-386	-27
12	Current account and long-term capital ³	208	-820	-104	-269	77	557	-406	-343	-278	208
13	European Economic Community, balances on:										
14	Merchandise trade ²	1,710	530	445	534	350	330	227	118	-18	195
15	Goods and services	519	-644	335	234	-82	80	119	-210	-551	5
16	Goods, services and remittances	497	-634	320	225	-91	61	121	-369	-655	8
17	Current account	497	-634	320	225	-91	61	121	-369	-655	8
18	Current account and long-term capital ³	532	-1,131	-321	300	-85	579	-237	-390	-881	506
19	Other Western Europe, balances on:										
20	Merchandise trade ²	370	412	281	232	160	215	245	122	7	35
21	Goods and services	307	-327	153	-30	-177	161	215	-114	-254	-74
22	Goods, services and remittances	-112	-581	106	-87	-230	106	102	-179	-423	-130
23	Current account	-140	-611	89	-94	-242	95	150	-187	-424	-145
24	Current account and long-term capital ³	188	-163	24	85	-06	173	145	-213	-473	377
25	Eastern Europe, balances on:										
26	Merchandise trade ²	150	182	34	37	34	45	50	27	27	69
27	Goods and services	180	187	41	38	32	49	55	20	23	74
28	Goods, services and remittances	130	187	35	33	27	43	60	21	17	66
29	Current account	130	182	35	32	24	30	50	17	17	69
30	Current account and long-term capital ³	130	161	37	37	34	37	51	8	21	71
31	Canada, balances on:										
32	Merchandise trade ²	-1,070	-1,890	-308	-272	-420	-475	-401	-441	-515	-628
33	Goods and services	-608	-444	124	25	-884	-208	30	-87	-207	-1
34	Goods, services and remittances	-680	-565	113	3	-287	-315	11	-115	-445	-36
35	Current account	-680	-565	113	3	-287	-315	11	-115	-445	-36
36	Current account and long-term capital ³	-1,051	-1,060	-219	-183	-656	-501	-89	-249	-493	-167
37	Latin American Republics and other Western Hemisphere, balances on:										
38	Merchandise trade ²	561	823	-28	106	194	289	71	32	106	58
39	Goods and services	1,835	1,835	263	580	630	638	356	600	480	643
40	Goods, services and remittances	1,728	1,576	187	403	476	500	291	432	406	447
41	Current account	1,464	1,314	126	428	416	401	224	303	542	389
42	Current account and long-term capital ³	199	18	-202	23	64	225	198	-70	-102	-----
43	Japan, balances on:										
44	Merchandise trade ²	-1,214	-2,214	-162	-280	-454	-358	-605	-875	-744	-1,069
45	Goods and services	-1,062	-2,382	-197	-365	-531	-406	-500	-694	-701	-1,197
46	Goods, services and remittances	-1,245	-2,435	-207	-378	-542	-419	-600	-903	-803	-1,209
47	Current account	-1,245	-2,435	-207	-378	-542	-419	-600	-903	-803	-1,209
48	Current account and long-term capital ³	-1,577	-4,158	-267	-479	-515	-390	-904	-1,208	-1,452	-812
49	Australia, New Zealand, and South Africa, balances on:										
50	Merchandise trade ²	405	552	81	134	137	114	202	77	131	143
51	Goods and services	1,199	1,135	235	271	314	288	317	232	242	344
52	Goods, services and remittances	1,065	1,111	230	265	305	281	311	227	238	338
53	Current account	1,043	1,111	230	265	305	281	311	227	238	338
54	Current account and long-term capital ³	766	603	118	100	381	200	208	50	144	281
55	Other countries in Asia and Africa, balances on:										
56	Merchandise trade ²	948	348	208	331	108	341	291	222	-20	-239
57	Goods and services	2,382	2,009	550	780	389	725	544	971	620	469
58	Goods, services and remittances	1,694	2,313	377	581	168	508	732	705	343	280
59	Current account	411	860	48	270	-150	237	410	370	-25	-184
60	Current account and long-term capital ³	-1,472	-2,022	-455	-835	-312	-79	-124	-864	-421	-783
61	International organizations and unaffiliated, balances on:										
62	Merchandise trade ²	-231	87	-84	-75	-187	44	-31	87	-102	153
63	Goods and services	-231	87	-84	-75	-187	44	-31	87	-102	153
64	Goods, services and remittances	-230	87	-84	-75	-184	4	-32	87	-108	54
65	Current account	-230	87	-84	-75	-184	4	-32	87	-108	54
66	Current account and long-term capital ³	-544	-058	14	-26	-276	-220	-308	-232	-556	237

* Preliminary. * Revised.

1. Balance of payments by area on the net liquidity basis and the official reserve transactions basis lack validity because liquid dollar holdings of private and official foreigners may be affected not only by their transactions with the United States but also by transactions among themselves. The balances shown by area here have some shortcomings due to statistical discrepancies including errors, omissions, and incorrect area attributions.

2. Balances are derived from lines in table 2 (all areas) and table 9 (individual areas) as follows:

Merchandise trade..... 2, 15,
 Goods and services..... 1, 15,
 Goods, services and remittances..... 1, 15, 31, 32,
 Current account..... 1, 15, 20,
 Current account and long-term capital..... 1, 15, 20, 33, 30-41, 44, 48-59, 62, 65.
 (By area only part of line 62 is included.)

The balance on current account and long-term capital with "all areas" includes changes in

long-term liabilities to all private foreigners reported by U.S. banks; with "international organizations" includes only liabilities to IBRD and affiliated organizations; and with other areas includes only liabilities to regional organizations. Increases in the long-term liabilities to other private foreigners included in the total, but not in the areas, amounted to (millions of dollars):

1970-I, 5; 1970-II, 28; 1970-III, 7; 1970-IV, 48; 1970 year, 118; 1971-I, 7; 1971-II, 11; 1971-III, 7; 1971-IV, 64; 1971 year, 80.

3. Adjusted to balance of payments basis; excludes exports under U.S. military agency sales contracts and imports under direct defense expenditures.

4. Includes some short-term U.S. Government assets; area data exclude long-term liabilities reported by U.S. banks other than to international and regional organizations (see footnote 1).

NOTE.—Details may not add to totals because of rounding.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.